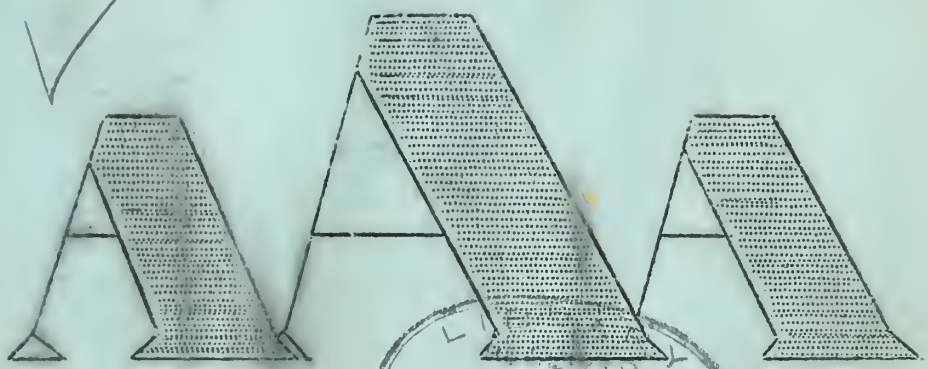

1946 CONFERENCE OF COUNTY COMMITTEEMEN

BOISE IDAHO

JANUARY 14-15-16

AAA OBJECTIVES

- CONSERVATION OF NATURAL RESOURCES

- FARMERS' FAIR SHARE OF NATIONAL INCOME

- PLANNED ABUNDANCE WITH WIDER DISTRIBUTION

FOREWORD

The sixth Idaho State AAA conference held in Boise, Idaho January 14, 15 and 16 was attended by state and county committeemen, secretaries, agricultural leaders throughout the state and Triple-A representatives from the Western Regional office, as well as from surrounding states.

After being warmly welcomed by Councilman T. J. Jones on behalf of the City of Boise, the conference settled down to a three-day work session covering all phases of the agricultural program now in effect.

A considerable portion of the conference was devoted to a study of agriculture's position in the postwar economy. The conference report, as shown on the following pages, indicates that farmers have been giving a great deal of thought to world conditions as well as industrial and labor problems in the United States.

The Honorable Glen H. Taylor, United States Senator, was able to attend the conference on January 15 and discussed the Columbia Valley Authority.

G. F. Geissler, Director of the Western Region, and other representatives of the Western Regional office gave very informative discussions relative to the position of agriculture and the possible course agricultural programs might follow in the postwar period.

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Conference Opening
By Milford J. Vaught, Chairman, State Committee

There are two or three things which we want to cover in opening the conference, but first I'd like to pay tribute to the Triple-A folks who joined the armed services during World War II. Triple-A folks were just as patriotic as any others, and we adopted a policy in the State Office of asking for no deferments. As a result all of our young folks who could pass the physical examination got into the fight. I don't know how many there were from the State, but there were eighteen from the State Office. The majority of those folks are returning. We have only three who aren't going to return. Kiefer White from the State Office had a brilliant war record. He was in the aviation branch, fought in Bataan, and was one of the last flyers to leave the Phillipines. He had a good many Jap zeros to his credit and had two P-38's shot out from under him. He returned to the United States and was set up as a trainer, but was killed shortly thereafter when he crashed into a building in San Diego. Harry Wishart, who was secretary to the Washington county committee, was killed in Okinawa shortly before the end of the war. He had a brilliant record in the army and will be greatly missed by both the county and state committees. Jack Jensen, who was secretary of the Butte county committee, was killed in the European Theater. He served in the Air Corps and had a distinguished record. These men were top hands with Triple-A, and it was a mighty blue day around the State Office when we received word that they had made the supreme sacrifice. We are very proud of these folks and have been able to give all returned service people their jobs back. To show our appreciation in a very small way the state committee wants all returned veterans together with their wives who are here to be guests of the state committee at the banquet and dance tomorrow evening.

The rest of my remarks could probably fall in two classes, inflationary and deflationary or complimentary and critical. From the inflationary side I might start out by saying that the farmers of the United States during the war made a wonderful record for themselves. Every year during the war, under all types of obstacles, they increased their production. The farmers in Idaho under the guidance and advice of their elected leaders, kept pace with the national record and every year during the war we increased production of food in the State of Idaho. It is a record you can well be proud of. During the war we gave service to the farmers in a good many different ways -- in the rationing of farm machinery, copper wire, construction material, and every job that needed to be done. We had the organization to do the job and did it. For one week we kept records of the contacts that were made in the county office -- telephone calls, personal calls, and correspondence. There were 8857 personal calls made to the county office, or three every minute. There were 635 telephone calls, or one call every four and one-half minutes. There were 2968 letters, or one every minute. This was the type of service rendered under wartime conditions.

For the calendar year 1944 Triple-A conducted a volume of business that amounted to better than $20,000,000, including the Dairy Feed payments, ACP payments and the loan programs. The cost of administration was just a trifle over one-half million dollars. If all of that expense had been charged back to wheat alone -- that is, all of the expense for the entire state charged back to wheat alone -- the entire cost to the wheat producers would be one and one-half cents per bushel. If it had all been charged to potatoes, it would have cost the potato producers

one and nine-tenths cents a hundredweight to administer the program. If it had been charged to sugar beets, it would have cost sixty-three cents a ton to administer the program. I think that's an outstanding record, and I'm mighty proud to be connected with the type of organization we have in the State.

Now for the deflationary side. While we were making this outstanding record in Idaho, nine states in the Western Division were making a better record. At one time we stood tops; at the present time we stand tenth. There is no place in the program that's good enough for Idaho except at the top of the list. May I call your attention to our objectives for 1946. The objectives for the long-time program have not changed: (1) Conservation of our natural resources; (2) Farmer's share of the national income; and (3) Planned abundance. As our contribution for 1946 we must have: (1) Improved administration in the county and state offices; (2) Top place in the Western Region; and (3) Greatest possible conservation for every dollar spent. During the conference let's keep those objectives in mind, and in all sessions make an effort to get the best out of the program so that we can meet those objectives in 1946. I thank you.

Farmers' Problems

By G. F. Geissler, Director, Western Region, AAA

Just about a year ago we met here. We met under quite different circumstances than we are meeting today. With a war on two fronts we didn't know for sure what 1945 would bring. During 1945 more important events occurred than in any other year in our history. We don't want to see another year with so many important events. I think it is a good thing we have slowed down a little. We couldn't stand the pace we have been going for the past four years.

I want to back up what Milford said about you folks, and the rest of the folks in the United States, having done a great job. The rest of the country is very well aware of this fact and they marvel at how you did it. There were about eighteen percent less people on farms last year than when the war began. I've talked to folks who knew nothing about agriculture, and they realize the tremendous job farmers have done in spite of the fact that there has been a lot less farm machinery, that you lost the best men from the farms and had less efficient help. They appreciate all the other factors which were associated with trying to do a job for a nation at war. Don't think your effort has gone unnoticed. It is going to be an asset to agriculture in the future to have impressed the nation in time of war. It wasn't easy. As county committeemen you were trying to run your own farms with inadequate help, and to spend time in the county office helping your fellow farmers with their problems. The poor clerks in county offices were battered around, cussed and discussed because they didn't do this and that.

The subject assigned for discussion here, "Farmers' Problems" is the kind of subject I like. Of course, the three days of the conference wouldn't be long enough to discuss that subject in all its ramifications. But in this world we're living in today we have our attention focused on things that are happening from day to day and we are trying to anticipate the outcome of things immediately affecting us. It seems to me the job confronting the world today can be broken into two parts: First, conversion from war to peace; and second, establishing a lasting peace. These are the things we're engaged in right now and will be for several years.

Under conversion -- or reconversion as we call it -- we have a number of big jobs. I think one group of jobs can be classed broadly under the heading of production reconversion. For agriculture this will mean producing somewhat different items than during the war and production for different markets. For industry it will mean production of automobiles, farm machinery, household equipment, electrical appliances and other materials of that kind instead of guns, tanks and the weapons of war.

We also have the job of demobilizing a tremendous war machine. Sometimes there is a great deal of impatience at the delays in that demobilization, but when we stop to think that it took us four years to mobilize the army, we realize that it will take a little time to demobilize that large an army.

In this reconversion the victor nations of the world have the job of reconverting and demobilizing, as well as converting and trying to rehabilitate and control established governments in the nations they have conquered. In connection

with working out a permanent peace, the United Nations Organization is to operate as a sort of world council where the nations of the world will settle their problems with brains instead of guns. That doesn't always mean getting around the table and discussing each controversy. We must also have a program which will bring about understanding of trade relations and the will to help our fellow man. It is a tremendous job.

Under the United Nations Organization we have set up suborganizations: Bretton-Woods, Dumbarton Oakes, and the Food and Agriculture Organization, fitting into the whole scheme of United Nations Organization. I will tell you a little about the Food and Agriculture Organization. FAO was set up at Quebec last fall subsequent to plans made at the Hot Springs meeting four years ago. The program of FAO falls into three or four categories: that of studying world food needs and production capacities; the exchange of information in regard to food, production methods and matters of that kind between the various countries; and undertaking the program of trying to carry out nutritional and educational work.

I was talking to Forrest Wells sometime after the Quebec conference and he said you would never realize just how primitive the world has been until you study the management of world food supply. We have no record of the total world capacity to produce or the amount of food needed. If we're going to have intelligent food management in the world, we must have world planning. An effort must be made to work out an exchange of information. Most of the nations have agricultural research of some kind. So far there has been no mechanism for the exchange of that information as it is discovered and put into operation. Other nations have sent a few men to our experimental stations, but it was not through a world program of any sort. Something on a world-wide basis should be undertaken for the exchange of ideas. If we discover something here that can be applied in some other country we'll share it.

An educational program in connection with nutrition should also be established. This important program should be intended especially for countries like India, Africa and China. We think we eat good food; however, returning veterans can tell you differently. Seventy-five to eighty percent of the draftees in Idaho were eligible for the service. This was not always true in other states. In some states, especially in the South, seventy-five to eighty percent of the draftees were ineligible for Army service due to malnutrition. In some cases this was because of ignorance. In many cases it was because they were unable to get the food they needed.

One segment of this United Nations organization is trying to undertake a program of education. It all ties in with this overall job of trying to establish a lasting peace. We can see how we as agricultural workers tie in with this set-up. In addition to that, of course, there are many other parts to which we're definitely tied in by reason of our position in the world of nations.

Getting a little closer to the agriculture of this country and looking at the current food situation from a shorter range basis, there is not enough food in the world to feed all the people any more than a subsistence diet in 1946 in spite of all the production you can get in the world. Some parts of the world are going to have adequate food supplies while others will starve to death before this winter is over and next year's crop comes on the market. That means that folks in this country will have to maintain an all-out agricultural program in 1946 just about up to maximum capacity.

There is another point I would like to give you in connection with this and that is some of the changes that have taken place in our work requirement from the end of the war. Under lend-lease we did all we could to assist our allies. We tried to give them the kind of foods they needed for their armies and in many instances that meant giving them commodities in which we were actually short ourselves. It meant shipping butter when we didn't have enough. That picture has changed a lot and our shipments reflect that very definitely. Our interest is not so immediate any more, and under relief operations we're trying to get over to those folks the kinds of foods that will get the greatest mileage in dollars spent, shipping space and convenience of handling. Nations able to purchase food either through cash or credit are trying to do exactly the same thing. They are trying to keep their bellies full. It means instead of shipping some of those things we are short of we are shipping some commodities of which we have an adequate supply. We can send 350 to 400 million bushels of wheat abroad if we can get the cars to get them to the coast. We can ship dry beans out of our large surpluses. That will mean a fairly good outlet for 1946 for your dry edible peas.

I think there is one thing it is well for us to keep in mind that will help the agriculture of this country. We're going to be able to meet the demands. We have pretty adequate reserves. We'll put our house in order. With the kind of production program set up for 1946, if we follow those goals, we're going to enter 1947 with our house in order. We'll be closer to meeting the needs on some of the commodities. At the present time we don't know what the production needs for 1946 are. The goals that are set up are at the maximum capacity that the people felt agriculture could produce.

There are three reasons why we have that tremendous outlet, about 135 percent of prewar levels. Some people are asking how we can dispose of our 1946 crop, with the war being over and lend-lease being discontinued. This can be answered with three points. First, we have an increased population that will consume eight to eleven percent more food. A second reason for maximum capacity is our high national income. This may not remain at the 1945 level. Obviously industry will have some slack periods of production, but it will be relatively high. I don't know just how much food people in this country will eat when it is unrationed and they have good buying power. There are all kinds of guesses. During the war with good buying power and in spite of strict rationing, we consumed just as much as before the war and maybe more. Meat was consumed at about the same level as before the war. There were a lot of people who weren't getting all the meat they wanted. The demand for food in this country will be considerably above war levels. The export need also needs to be considered. Foreign nations will take all the food we can spare this year.

In connection with the prices for agricultural commodities in 1946 there probably shouldn't be too much change at this time. At this point the agricultural price outlook, irrespective of price support, is for price levels to remain very close to 1945 levels. That's one of the factors we'll talk about this afternoon. I think that our work is pretty well cut out for us in 1946 and we know pretty well the production job which we have to do, and we will get it done.

The conservation job is of extreme importance in 1946. It must be undertaken much more vigorously than in the past. Our soils have been mined and the fertility in this country more drained than restored during the war. This was alright during the war, but during a period of peace, 1946 ought to be the year in which we rededicate ourselves to really undertake an active soil conservation

program within our organization. Also in the year 1946 the pattern for a lot of things in which we farmers are interested is going to be set up. There are no particular production problems from the standpoint of adjustments. There will be no serious adjustments in goals, no particular problems, as an average, with prices in 1946. But everybody is looking ahead and anticipating some trouble in 1947 and 1948. In 1946 we'll have the work of determining the policy for the years ahead. And the one thing that bothers me a little bit is that it will take place in a time when we haven't any particular current problems. You folks as committeemen ought to study any discussion that is taking place within your organization and take every opportunity to familiarize yourself with 1947 and 1948 as far as production adjustment is concerned. You have the same responsibility with price problems. Study them and come to conclusions -- then let your ideas be known. As farmers you have the opportunity of giving recommendations as to what the policies of the country should be. Make your ideas known to your representatives. Let's don't go to sleep at the switch.

At the last Outlook meeting in Washington, Forrest Wells was talking about the situation of food markets in 1946, 1946 crop and agricultural prices, and he said the outlook is for a market for everything we can produce at a good price. But he said we shouldn't concern ourselves 100 percent with the production and price problem. A market for most of our production at good prices would not necessarily mean that we would have good distribution. Any program we discuss for post-war agriculture indicates that the farmer's problem is not only on the farm but we must be interested in seeing that commodities get to the maximum number of consumers. It should include some sort of plan about better distribution. A lot can be done in improving our regular channels of distribution. The government has undertaken some programs in the past, such as the stamp plan, school lunch program, etc., to bring about better distribution in lower income groups. I don't know whether these are what we want or if we need something better. At any rate it should be included in our thinking for post-war agriculture. Our problem is to have an adequate diet for all and make food available to all people. Some people have available adequate food but don't know what an adequate diet is. That ties in with not only quantity of food but quality of food. Dr. Albrecht from the University of Missouri has done some research along this line. He said "Just because you have a bunch of spinach doesn't mean you have the same quantity of food value in it as in another bunch." He pointed out that the finest looking food must sometimes be supplemented by pills.

There are other things which should receive our consideration. He pointed out that unlimited markets and good prices wouldn't necessarily mean that we would conserve our soil. It might actually have the opposite effect. Hoping to hit the jackpot the farmers tax their soil until such time as prices are not so favorable. Our program must definitely include conservation of our soil resources.

Good markets and good prices don't necessarily mean that we would have no surplus. It would mean that we might have to shift as our requirements shift. Any kind of a program would mean some kind of adjustment, probably through goals. We may need more than just goals.

Good markets and good prices don't necessarily mean that we would have no crop failures. Any well-rounded program will have to include crop insurance provisions. There are other devices being studied: amortization of financing, taxation, etc. It doesn't necessarily mean that we have been doing a most efficient job of production.

Our educational effort, our experimental effort and improvement of laboratory and equipment must continue and be a part of the State Agricultural program that is well rounded out.

I have tried to cover a tremendous amount of territory. You've done a great job. I don't know if we could have done this big war food job as well as we have done it if we hadn't had the experience of working with each other prior to the war. By the same token I think the experience we had during the war period is going to do us a remarkable lot of good in working out the problems pointed out this morning. I know we'll do a good job -- but we can't slip, we can't relax in our efforts. The job will not be dramatic. During the war some of the jobs we did had a lot of attraction. But this planning of programs ahead and trying to set up a sort of permanent agricultural policy is not so dramatic. It means sitting down and thinking about a lot of things. It is just as important as that period during the war and will cover a longer period of time.

The program the folks have set up here is very complete. I hope that we can give you some guidance, some enlightenment, so we can do this job better. We have some things we want to tell you about. I'm more interested in what you folks have to tell me. And I think it will do me more good than anything I tell you. Let's make this a conference in which we all participate. Let's plan for agriculture not only for 1946 but for the years ahead.

Sugar Beets

By Harry Elcock, Amalgamated Sugar Company, Twin Falls, Idaho

Sugar was the first commodity that was rationed and it will probably be the last to be taken off the ration list. Four or five years ago most people seemed to think of sugar as a luxury item, but since it has gone on the rationed list we have come to the conclusion that it is a very essential food. We use it every day just as commonly as butter and bread, in practically every food.

Decided factors made necessary the rationing of sugar. First was the fall of the Phillipines from which we had received one million tons a year. Hawaii became our outpost in the Pacific and the submarine warfare in the Atlantic practically cut off Cuba. Domestic supplies were by far inadequate. The needs, 100 pounds of sugar per capita per year, could not be met. The next difficulty to be faced in Cuba was the greatest drouth in that country's history. During that time crop goals were set up. And in those sugar beet raising areas we came into competition with other commodities. Sugar takes a great deal of labor. It took Triple-A planning, planning of abundance. Triple-A did have that in its program and it did the very best job that could be done. It was only due to Triple-A that we could keep the acreage we did.

1946 plainly becomes the year for sugar in Idaho. There are many problems to be worked out. We are cooperating with Triple-A and the Office of Labor to work out plans. The philosophy and objectives in the sugar beet industry are the same as are outlined here for the Triple-A. We must farm right. We must get an adequate return for our work, time and expense in the production of sugar. To illustrate the philosophy behind beet culture, we raise many commodities in our irrigated valleys and when we harvest those crops we take that material and send it out of Idaho and thus mine the fertility of our land. With sugar beets, the only things we send out of our state are hydrogen, oxygen, and carbon taken out of the air and soil -- mostly from the air. We take carbon and we process it so that the only thing we are sending out of the State is good old Idaho air when it is in the right combination. We feed the stock and we put it back on the land. We believe that we have a crop that will work into the agriculture in the future in a very good way. We are looking forward to a better year in 1946 and I want to thank every member in this audience who works with us for helping us.

Production Goals

By Milford J. Vaught, Chairman, State Committee

The tentative goals for Idaho have been established, but this year, since we didn't have teams out from Washington when we set up the tentative goals, it was necessary to send them back to Washington for approval. They said they would have those goals here by the 15th. They haven't arrived as yet, so we'll have to report on the tentative goals. In establishing the goals this year we followed just about the same policy that we have in past years. Since we didn't have the entire list of commodities, we met with representatives from each commodity group and established those goals. When we got the final group of goals we had only a short time to call a meeting and get the goals back to Washington. Those interested in the various commodities were called together in Boise, but, due to the shortness of time, we didn't have the turn-out we ordinarily have. We did have representatives of those interested in all of the major commodities. The goals were finally established on a tentative basis as follows:

Commodity	Unit	Tentative 1946 goals
Corn	Acres	32,000
Oats	"	214,000
Barley	"	359,000
All tame hay (Includes acreage of hay seed)	"	1,020,000
Wheat	"	1,100,000
Rye	"	7,000
Dry beans	"	125,000
Dry peas (total)	"	150,000
Dry peas (smooth)	"	115,000
Sugar beets	"	85,000
Irish potatoes	"	161,000
Cover crop seeds:		
Austrian winter peas	"	16,000
Legume seeds:		
Alfalfa	"	30,000
Red clover	"	27,000
Alsike clover	"	10,000
Milk production on farms	Mill. lbs.	1,372
Milk production per cow	lbs.	5,717
Milk cows on farms (ave. during year)	1000 head	240
Egg production on farms	1000 doz.	19,852
Hens on farms, Jan. 1	1000's	2,139
Hens on farms, Mar. 1	"	1,861
Chickens raised on farms	"	3,878
Turkeys raised on farms	"	290
Sows to farrow, spring	1000 head	36
Cattle and calves on farms, Jan. 1	" "	880
Sheep & lambs on farms, Jan. 1	" "	1,473

The plans for this year in carrying the goals down to the individual farmer have been changed from some of those we followed out in the last two or three years. The past two or three years in establishing goals we held goals meetings in

every county in the State. This year, since our major adjustments are in potatoes, dry beans, and sugar beets, we plan to hold goals meetings in only the counties having those commodities. We have set up a tentative schedule for those meetings, and we will get those out to you folks today. As our contribution to the Triple-A objectives outlined this morning we plan to have our goals meetings earlier this year than last year. Starting with January 21, four teams will be in the field holding a series of meetings. It is pretty hard to work out schedules, but I think we have it worked out pretty well. Our first meetings are to be called the 21st. It will be necessary for you folks who are having those meetings on the early dates to get notices out and make arrangements for the meeting places. We will give you the dates of the meetings in the counties, types of meetings and State Office personnel to attend.

Just as soon as we receive the final goals for the State, we will set up tentative goals for the counties and make up goal handbooks similar to last year. In planning our program here it was our thought that when you start discussing goals and adjustment in production there are two factors that must be taken into consideration. One is price support, and the other is the labor situation. In the past two or three years we felt we should consider a third factor -- the farm machinery situation. We do not feel that the machinery situation is as critical this year, and have left that point out of our agenda for the program. We do have the other two phases -- price supports and the labor situation which will be our first subject for discussion this afternoon.

Price Supports

By G. F. Geissler, Director, Western Region, AAA

In discussing agricultural prices and price policies for the 1946 program and subsequent years, I think this subject falls into three or four categories. Agricultural prices that we can expect in 1946 are based primarily on prices which are the product of supply and demand. For 1946 it is quite evident that prices for most commodities will be relatively high. This is due to the fact that the demand for food is tremendous. We have enormous buying power in this country and the export demand is great. Some commodities, however, might get into trouble. Unless the unforeseen happens we will have price difficulty with eggs within the next couple of months and we will have to settle back on the price support program.

There is no need to go into detail. You know probably as well as I do that there are three acts that deal with the price support program. The first covers the five basic commodities; second is the Steagall Amendment which establishes price supports at not less than 90 percent of parity on commodities for which the government requested increased production to meet war demands; and third is the Stabilization Act passed in 1944 which directed the executive branch of the government, and specifically the Department of Agriculture, to take such steps as necessary and possible to see that prices for other agricultural commodities were brought up to or near parity.

Price support mechanics for most of these programs have been set up and announced. Some are in the process of being set up now. There are several reasons for delay -- one is that the legislation which provides that prices shall be supported at not less than 90 percent of parity is about that short. Of course, an appropriation is necessary to implement any kind of program.

As we go into the post-war period we are running into some pretty sizeable obstacles as to mechanics to be employed in carrying out the price support commitments, and the Department of Agriculture feels that we should have more instruction from the people as to the course to be followed. Numerous questions will undoubtedly arise; for example, legislation now in effect provides for supporting prices at not less than 90 percent of parity for two years after the war, whereas officially the war is not yet over. On some commodities a support price of 90 percent of parity will not be enough protection. A good example is dairy products. Current prices plus payments bring the average dairyman a return somewhere around 145 percent of parity. Under present costs of production, dairymen must receive more than 90 percent of parity or they will be driven out of business. How much we may go beyond 90 percent of parity has not been definitely determined. This question has been discussed with the Agricultural Committees of both the House and the Senate and they will go into some of these matters immediately when they reconvene. We hope we will be able to complete price programs applicable to 1946 in the very near future. There is no question in my mind but that Congress meant what they said and that for 1945 the floor for all commodities will be 90 percent of parity. Those products having obviously unfair prices will be supported at a level not too far below the levels at which they were supported in 1945. I base that conclusion on opinions within the Department and opinions expressed by Congressmen with whom we discuss the general feeling of agriculture on price supports.

So much for price supports. The thing that is probably going to be of more importance to farmers in 1946 is subsidies. Subsidies are just another phase of the price support setup. We are not certain what the picture is going to be. Currently we have the dairy feed payment; we have sheep and lamb payments and several others. Here are some of the problems involved. You have read in the papers that it is the administration's policy to get out of that kind of business as soon as possible and as fast as feasible. Farmers don't like subsidies, if they can get fair prices any other way. Farmers are willing to accept subsidies only if they are necessary to hold the line on retail food prices and thereby help in preventing inflation. These subsidy programs are an integral part of the overall program for preventing inflation. I think that pretty well expresses the opinion of most farmers.

Subsidies on dairy products are committed until March 31 -- funds are available and the program is authorized from a Congressional standpoint until June 30. Beef, sheep and lambs are also authorized until June 30. Beyond that no commitment can be made at this time. The best time possible must be selected for the removal of those subsidies. In other words, removal of subsidies would involve the adjustment or possibly the removal of ceilings. The best time to remove ceilings is at the flush period of production.

We had 15 state committeemen from throughout the United States in Washington to discuss this entire subsidy program. They discussed the whole problem and stated that dairymen must have the present margin to stay in business; they said that if subsidies come off, ceilings will have to be adjusted by the same amount. The question came up about taking ceilings off entirely and their recommendation was that if that is to be done then ceilings should be taken off in the flush period so that there would be the least amount of spiraling. So you can see what questions are involved.

First, we must have a level that means a reasonable profit to the producer. We might seek a level too high which would be a very short-sighted policy and might curtail our outlet and get us into a great deal of difficulty. I thought it very significant that the dairymen agreed that if subsidies on dairy products were removed and were replaced by a compensating increase in price, there would be a decrease in the consumption of dairy products.

Just a word about what you have heard in the last six months or so in the field of price policy. It has to do with such things as parity income. There has been a lot of argument about that type of thing. Right now it ties in with these ceilings and support levels. If there were an adjustment in the parity of dairy products, then 90 percent would come close to doing the job that needs to be done.

Now on this matter of price ceilings, the policy of the administration and the policy of Congress is something like this. They would like to remove price ceilings just as fast as they can without creating inflation. I think everyone is pretty well agreed that inflation is disastrous to the country as a whole. I am of the opinion that the farmers would suffer more than the rest of the nation. There is no commitment beyond June 30 unless Congress extends OPA. Between now and June 30 a number of price ceilings will come off. There is an adequate supply of agricultural commodities so prices on agricultural products won't go spiraling too much. What will be the setup on July 1? Here is the way I take it and it is purely a matter of opinion. Agriculture goes into this 1946 production year pretty well reconverted. We did not have too many changes;

there was no critical shortage of agricultural commodities. If price ceilings are taken off on July 1, as far as agricultural prices are concerned some will increase; but straight across the board a lot of them will not increase at all for the simple reason that agricultural commodities are not critically short, in fact in most cases they are quite adequate.

Take a look at the other side of the picture on other commodities you have to buy for producing on the farm and for living. They are short in supply now and at most will still be short on July 1. Agricultural prices will raise a little bit on the average but some things you have to buy are critically short and the sky is the limit on what you'll pay for these commodities when the ceilings are off so that the prices can be raised lawfully. The cost of production on things you have to buy will undoubtedly go up.

Milford, you folks have other ideas that are probably just as good as that. The price policy on agricultural commodities is pretty well set for 1946 with a few exceptions. But in 1946 price policy and a number of other policies as far as farmers are concerned will probably set the pattern for a number of years ahead. You undoubtedly have heard discussions on some of those things. Some folks are saying now that parity prices are not what we want to be thinking about but that parity income is a better method. There are good arguments on both sides. Parity income is the thing we are mostly interested in. Parity price is a fixed price for every unit regardless of how many units are produced. For example, wheat growers might determine that parity income for wheat growers is one billion dollars. If they have a billion bushels of wheat then a price of $1. per bushel will give them parity income. However, if they raised only 800,000,000 bushels then a price of $1.25 per bushel would be required.

Another thing being kicked around are price adjustments. The concept we have is out of date. In going back to 1910-1914 they don't consider modern methods of production costs. There is a lot of criticism of this and I think a lot of it is warranted. Frankly I think the whole thing does need looking into. I think we know that you couldn't say that 90 percent of parity for dairy farms is equivalent to 90 percent of parity for wheat farmers. A number of bills have been introduced on that. Some adjustment is going to be made before that price policy is finally settled. It seems obvious that this needs to be done. All of us would agree that some parity prices are too low and some would agree that some are too high. Those who would agree with that would likely say it in connection with a commodity that someone else produces. It is an extremely difficult thing to settle.

When the dairymen were in Washington we threw out to them an illustration. Parity price on cotton right now is 22 cents a pound. The cotton folks tell you that they must receive 22 cents to stay in the business. I am of the opinion that they are correct. On the other hand, I feel that if it does cost that much and if cotton does have to bring 22 cents then they should get out of the business right now because 50 percent of our outlet is abroad and world markets are not going to be at that level. It would require an extremely high export subsidy in order to market cotton at that price. Another source of danger within the country is the advantage synthetics would have if cotton is maintained at that high level. If I were a cotton grower I would want to look at all those factors and maybe their cotton can be produced more efficiently with machinery and under mechanization they can reduce the cost of production.

In summing up the price situation I would say this: pretty high prices in the market placed in 1946, price support programs which are better than 90 percent of parity. Some commodities in the past have been higher. On price ceilings I can only guess. It depends on what Congress does. OPA feels there is serious danger of inflation if not continued. Price policy is pretty well set for 1946. Price policy after 1946 depends a lot on what you folks think it should be. Frankly I believe agriculture will never go back to a price structure dependent solely on supply and demand. I can probably tell you more about what we will have in the interim when we meet next year.

Labor Outlook for 1946

By R. K. Pierson, Emergency Farm Labor, Extension Service, Boise, Idaho

The labor outlook for 1946 is not permanent, but changing. As far as we can see there is nothing certain but uncertainty about 1946, but don't let that be too possimistic! Everyone tells us it is getting better and better, and maybe it is. About five months ago five million were unemployed. We are still looking for them. When they get their unemployment compensation used up and get a little hungry they will be around looking for a job. I am sure we will find somebody to get to work.

A year ago I told you at Lewiston we had one of the most critical labor outlooks of any of the war years. That proved to be true. Farmers expressed a need for more contract workers than we ever hoped Idaho could get. We are told that we rank fourth in car loading of foods for export. That now is less than one-half what it was in war years. There are enormous labor requirements due to our effective food production.

On the basis of 1945 food production goals we calculated the requirements, but it wasn't until the eleventh hour we finally got through that sum and managed to squeeze through by the grace of God a total labor requirement of some 16-million man-days, a productive man-day being a good ten hours work -- something that wasn't always forthcoming from wartime labor. That total requirement being based, of course, on our attaining the acreage goal. It fell short last year, but was more than made up for by other row crops. But yet we put down on paper the total number of farm operators plus all the contract labor we can see in sight, and we find it only amounts to about three-fourths of the requirement. Somebody's putting in one and one-half days each day. During the war years during the main crop months Idaho farmers were putting in about 13 hours a day, and putting that in on the run. We finally got our required number of contract workers last year, 12,000. 17,000 farmers participated in the labor program. Our needs were over that of any other state. Idaho differed in having a much greater drive than neighboring states on contract labor. In passing that labor out we made 325,000 farm labor replacements. We did that with a relatively small number of workers.

Now when we say 1946, back around VJ-Day we thought we could fold this deal up about January 1. The grower felt otherwise. We had a meeting in Denver the latter part of August attended by growers who called attention to those responsible that farmers generally in 1946 would have to have assurance of assistance of some type. That meeting was followed by another called by a national leader in Washington where more definite plans were made. Continuation of the 1945 program was recommended. It was introduced in Congress later calling for $14 million for the 1946 program. You're easily a month short in contract labor. Already contract labor users have been contributing all kinds of money for this premium labor. The House passed the initial bill before it went to the Senate. Expressions culminated in request for $11 million additional which was finally passed by the Senate. That made $25 million for this year. $32 million were spent last year. We, therefore, have for 1946 about four-fifths of what we had for 1945. No doubt that should be ample except for this point. In 1945 the War Department financed the use of prisoners of war. 115,000 prisoners of war were furnished at no cost to the farm labor program other than a small charge for

placement. It boils down to the fact that we have a total supply for 1946 of about one-third of 1945. Even that should be sufficient.

Last week we conducted a series of 26 meetings with 30 of our associations to sound out what their feelings were, what it appeared that labor supplies might be, how far they would go toward meeting goals in 1946. We found this universal answer: As many contract laborers are needed in 1946 as in 1945. That was hard to believe at first. We had felt sure we could cut down the number for general farm work. But the opinion was unanimous. Right now, with all the current unrest we have among workers generally, people haven't much faith in the local labor supply. Out of 67,000 in the service, 27,000 were discharged by December 31. There should be a total of 54,000 discharged by September 1, 1946, in time for next fall's harvest. However, our experience today has been that with the background and training most of our boys acquired in the service they are looking for a good job. But some are back on the farm. Before last harvest was over, we noticed an improvement in the farm labor situation.

An improved year-round labor situation is going to pretty well take care of our farm districts. Some seasonal work can be done by year-round help. This should to some extent decrease the need for seasonal workers. We have one definite trend -- improved year-round labor supply. Neighboring states tell us that the movement of migrants should increase very much this year. The supply of migrant workers increased last June in Idaho, but something happened to them by harvest. We could probably have had an additional 2000 workers during harvest but for our housing shortage. To what extent we can alleviate this situation even by next fall I don't know. Do you have a few suggestions on it? The railroad tells me that some of their large crews of track layers will be laid off during the middle of the summer. These men could do a lot of our beet work.

We can appreciate your concern over adequate labor supply, but we can't look ahead eight or ten weeks from now and have a beet crew waiting for you. For that reason let's be very serious in evaluating what we can expect from local farm labor this year and how many additional contract laborers will be needed to do the job. We can import foreign labor for seasonal labor. We can keep a small number going on seasonal work during the summer months prior to harvest. We must have more workers to meet the peaks. At least we have the facility this year if necessary to import about 75,000 contract workers. We sincerely hope that we won't have to go through all that again and use them all. It does look like we are going to have to ask for about 12,000 in 1946 for Idaho alone. This is one-sixth of the national total. Possibly we can fill that out partly with migrant workers and recruits from other States. We will probably receive about 20,000 workers this Spring for the seven Western states. This is only about one-fifth of last year, but would probably meet our Spring needs quite adequately. The needs for harvest are uncertain at this time. Surely by next September or October we will have plenty of folks looking for jobs and will have little difficulty getting the crop in. For the first time in the last four years we can say there is improvement. Thank you.

Wage Stabilization

By Ronald W. Purcell, State Director, Farm Security Administration, Boise, Idaho

I have been assigned to present a brief discussion of the Wage Stabilization board which I believe was discussed last year at Lewiston. The Wage Stabilization board has been the hottest of all hot potatoes. It was conceived in 1943 by the Price Control Act of 1942. The chairmanship has been rotated because no person is able to serve for more than a few months at a time. The Department in Washington tried two or three times to appoint a chairman here in the State, and in each case the agency representative in Washington objected and the chairman was not appointed. They finally advised me that I was chairman. My letter to Washington declining the appointment was delayed. Since then we've rotated the chairmanship among the various agencies.

Wage stabilization work has taken a lot of time of the various Department agency representatives who serve without pay other than travel expenses. The executive staff is rather limited and consists of only three people at the present time. During the summer months we had representatives in most of the stabilization areas. During the labor season of 1945 hearings were held on ten different subjects to determine whether or not ceilings should be placed on wages. The sole and only justification for the program is to prevent the spiraling of wages which always happens when you are on a seller's market. In order to determine whether ceilings were desired, hearings were held. Ten hearings were held throughout the State on eleven different subjects. Eleven ceilings were placed throughout the State. Each ceiling covered about 9.8 counties. The total cost for 1945 was approximately $35,000. and it is estimated by the executive staff and committee members that one and one-half million dollars were saved farmers by paying less wages than they would have done.

I know you are interested more in what will happen for 1946 than what happened in 1945, and about all I can tell you is that there's an appropriation that has been passed giving life to this program until July 1. Whether or not there will be any additional appropriation further than that I do not know.

I shall close by reading the conclusions of the Board here in Idaho which were sent to the Washington office for Wage Stabilization in Idaho next year. Farmers were poled for their desires for 1946, and the following conclusions were drawn up:

1. The Wage Stabilization program should operate with local area offices. Each of these should be staffed with a wage stabilization assistant, a wage stabilization clerk and a clerk stenographer and be set up at points readily accessible to producers and agricultural workers.

2. Rotation of board chairmanship proved effective and has been adopted as policy.

3. Local area offices being essential to an active program, it is recommended to the Labor Branch of the Production and Marketing Administration that the Idaho unit be authorized to reopen at least four such offices at an early date.

4. The Board appreciates the cooperative spirit and assistance provided during the year by various public agencies, producer associations and industries related to agriculture.

5. The educational program effective during 1945 should be improved and intensified for future operations and be emphasized through farm visitations.

6. In view of the absence of wage controls for non-agricultural wages, this board recommends the general regulations be abolished or be universally enforced in all states and that the wage board staffs be properly implemented to carry out such enforcement. The increasing volume of applications received under the general regulations indicates public consciousness of this phase of operations and producers and workers are willing to comply.

7. Further study should be made to determine most feasible timing of specific wage hearings as related to opening of operations to be affected in various areas and a calendar should be set up for contemplated hearings.

8. This unit recommends that specific wage ceiling authority be continued in 1946 essentially the same as it is now with enforcement procedure to be overhauled as follows:

a. A particular hearing commissioner should be designated to hear violations occurring in this state and his services should be promptly available.

b. Violations should be considered in the same degree of liability for workers and producers.

c. Imported and transported workers should be considered on precisely the same basis as local workers with respect to liability for violations.

d. Criminal prosecutions should be invoked as readily as civil prosecutions.

e. The regulations should be amended to permit enforcement officers to bring violators to hearing as early as three days from the date violation is reported.

Field personnel should be concentrated in areas where operations are beginning in order to assure enforcement before any wage ceiling difficulty develops.

9. Need for specific wage ceilings in 1946 should be studied and conclusions be drawn relative to operations for which hearings should be called.

10. Regulations should be modified to speed up application of economic sanctions, fines, or other form of penalty. Reductions or increases in number of employees should be subject to board policy and decision under budgetary limitation. Definite steps should be taken to assure increased worker participation in specific wage ceiling hearings.

11. The program budget should be established at a minimum of $45,000.00 for this unit calendar year 1946 and be increased to a minimum of $60,000.00 if shippers, packers and processors become active jurisdiction.

12. Indications reflect that producer and worker groups anticipate as great need for wage stabilization in 1946 as there was in 1945. Many believe that the need will be greater. Some believe that the program should be set up as a permanent departmental function. Continuation of the wage stabilization program is recommended for 1946.

These recommendations have gone to Washington. I don't know whether they will be placed in effect that way. It's doubtful that they will be accepted. The 1945 program was very active and covered almost every county in the State. The Board and executive officer made an honest effort to do their very best on this program in 1945.

Why Crop Insurance?

By Art Cummings, Chief, Crop Insurance Section, Western Region

I suppose a person could get a great many different answers to that question of he asked different people. Probably, the answers would differ chiefly in the way they were expressed for the basic reasoning behind them would in nine cases out of ten be very similar.

The only reason for crop insurance or any other insurance for that matter is to protect something. The man who has nothing to protect actually has no real need for insurance. Crop insurance is protection. It isn't designed as a means of insuring a profit from farming, but rather as a means of assuring that the production hazards over which the farmer has no control will not cause either a total investment or income loss. It is designed to pay the farmer when he needs it most. It's the modern way of making the good years take care of the bad by a large group of farmers paying premiums for protection so that those among them who are victims of losses from natural hazards will not suffer a heavy loss. The whole idea of insurance is for many to unite and for each to pay a small premium so that none of them will suffer a heavy loss. The man who does not suffer a loss receives his returns through security against ruin and the consequent peace of mind and through the good fortune that has kept him from suffering losses. It is important to remember in connection with crop insurance as with other insurance that the farmer buys protection. No insurance can be offered for any period of time on any other basis than one of protection. It does not take much study of any type of crop production to realize that any effort to insure profit must soon break under the weight of more going out than comes in.

There are few men who have farmed for a period of time who have not felt the need for protection against the causes of loss which can strike down their best efforts. The causes of loss can strike the good farmer, the big farmer, the little farmer or the fellow who just scratches his crop in. The type of loss is no respecter of farming reputations or pocketbooks.

The need for this protection has long been recognized and is felt every time a big black cloud rolls across the sky when the wheat is in the growing stage. Private companies have recognized this field as one in which there is a need to be served. They have attempted to cover most production risks, but each attempt has failed. The job proved too risky and too big to be done at a cost which farmers could and would pay. The Federal government recognized this need, along with the farmer, for many years before any definite action was taken. Finally, after the droughts of the thirties had exposed very graphically the extent to which farmers must live with the weather and the tragedies that a series of bad years can bring to the people on the farms, the Federal Government moved to provide for farmers the insurance protection which had proved too big, too uncertain and too difficult for private enterprise. The government had already made great strides toward providing farmers with a means of increasing the stability of farming as a way of life. They had provided a program through which government and farmer worked in partnership to protect the nation's and the farmer's vital soil resources. Congress had provided means for supporting the market price for farm production such as wheat loans. But there was still a big gap in the foundation under the nation's farmers. They had no means of joining together to protect against crop losses which they could not control despite all the great

advancements in methods of farming, machinery and seed. Good prices and good land were no protection to the man whom nature left without any production. Congress set up the Crop Insurance Corporation to provide a means for this protection. We had insurance on wheat. Then, cotton was added to the crop insurance program.

Then, Congress looked at the results and called a halt to crop insurance protection for wheat and cotton farmers. They said that crop insurance was needed and they were willing to provide the machinery for it, but that they were unwilling to continue a program of insurance in which premiums were falling so far short of covering losses. The relationship between premiums paid and losses collected under the wheat and cotton programs was eloquent testimony of farmers' need for crop insurance. Why under those programs farmers were suffering losses who swore that never in their history of operation had they failed to produce less than 75 percent of an average yield. Some of these farmers who had never had a loss got hit two years in a row with total or substantial losses. They had argued that their yields were too low and their rates too high, but nature was showing the Corporation another side to the story of why no one can be sure whose turn it is to step up to the crop production plate and strike out. It happens to the best farmers and the best farms. Results were proving very definitely that rates and yields were all in the farmer's favor at least from the standpoint of those farms covered.

Congress stopped Crop Insurance for a year. They have put it back into effect. They have handed it back to the nation's wheat and cotton farmers and said in effect: "Let's make this work, but let's make it work on a sound business basis. We'll provide the machinery and the personnel and you provide the cooperation which is essential if wheat and cotton and other farmers are to have protection against the natural hazards of production."

And that's where we stand. We have a crop insurance program and we will continue to have one just as long as a sufficient number of farmers cooperate in it to make it a going concern.

And that's where the AAA and its salesman come in -- with the bases loaded and two strikes on the batter. AAA has the responsibility of making crop insurance a permanent part of most farmers' operating costs and a permanent protection for our farmers against the inroads on their best efforts of the production risks which no man can control or predict. We have the chance to make farming just as stable as any other sound business operation. There is only one way in which this can be done and that is by getting a large participation in the crop insurance programs. We need to get every farmer who has something to protect, and can afford to protect it, into the program. Then, we need to get all of them so that they can afford to protect their way of life.

This is a big job. It is the key to the success of crop insurance for wheat, for cotton, for flax, and for any other crops that may be added to the list of those that can have "sure" returns from the day of planting. It means that we've got to sell protection to the farmers. We've got to get the farmers to buy protection. We've got to make crop insurance a part of the operating costs on most of our wheat farms. And we've got to sell it. Our previous experience showed very clearly that crop insurance must be sold. This is a program in which the farmer participates by buying something. That requires a great deal different approach than the program in which he is given assistance without investment on his part

or is definitely promised certain returns if he does certain things. We can promise him that he will never have less than 75 percent or 50 percent of an average crop to sell providing he insures his production each year by paying a small premium for that protection. But that's something that you have to sell to him because he has to pay to get it. All people aren't willing to take money and put it in the bank, but a lot more are today than there were when the practice first started. There isn't any doubt that farmers recognize that they need crop insurance, but there is a big job to be done before that recognition is changed to action in the form of signing a contract and paying for its protection.

Now, I just want to go into this responsibility of AAA on crop insurance a bit. The key to the success of crop insurance is the volume of the participation that can be obtained. The key to the volume of participation that can be obtained is the way in which county AAA committees throughout the nation go about the job of organizing to sell crop insurance, and of following through on the job. A good sales force must be selected and trained and assisted throughout the entire selling period. The idea of crop insurance must be sold to the people of the towns and communities whom it protects just as surely as the individual farmer although more indirectly. Every farmer in the county must not only be given the opportunity to sign an application for crop insurance through a personal contact and explanation, but every farmer must be given the opportunity to understand what crop insurance offers to him, to wheat farmers as a whole, why it is needed, and how it can become a permanent part of the farm program. It is the duty of County AAA Committees to see that every farmer in the county who produces wheat has a chance to understand and apply for crop insurance. It is not the responsibility of the committee to decide whether the farmers in the county should or should not have crop insurance. Every man is entitled to his own convictions, but an elected county committeeman is not performing his duty if he works to hinder instead of increase the success of a program. It is the farmer's job to decide whether he wants crop insurance protection. It is the county committee's duty to see that he has a chance to make the decision on the basis of a fair and accurate presentation of what it offers.

It is up to us to make this plan of crop insurance a part of the program. In 1945, we covered 550,000 farms in the U.S. On corn and tobacco we covered about 12,000 farms each. We are trying things out that were impossible under the old program. We tried two or three different methods of crop insurance on corn to see what fitted into the program best. Surely we don't want to go back again under a haphazard way of doing things. It is up to us to do our best to keep this crop insurance program going so that if Congress calls us again, we can tell them that the farmers are really interested. It is a thing you have got to believe in. It is a program that we want. Work at it and improve it so that the boys that come after us won't have to go through the things we have done. We want the insurance program. Give us time to work it out and make it sure. It isn't perfect by a long ways. We need help. We can't improve it without your help. Let's make Congress believe it enough to get appropriations and make it a real crop insurance program.

New Methods of Weed Control

By B. E. Kuhns, State Agronomist, Extension Service, Boise, Idaho

For quite a number of years now most of you folks, and Idaho farmers in general, have had one very provoking problem -- noxious weeds. We put lots of thought on the matter. We have had a certain amount of research work. We've organized county programs. The AAA came into the weed control field reasonably early with farm practices on noxious weed control and Idaho as a State for many years has been considered a leader in noxious weed control, and, still, the farther we go the worse the problem grows. We could devote easily as much time to the problems of weed control alone as other AAA problems and still not cover it satisfactorily. Today's topic is on new methods of weed control.

Just about a year ago at this time, articles appeared in two very prominent national magazines telling us about a new miracle weed killer. Everyone was interested and the county agents, weed men, and AAA office began getting inquiries about this new miracle weed killer. They soon did away with the long name and called the product 2,4-D. The stories that were published in these magazines were based on very limited experimental work. This was a new hormone and it did look good. The material is a synthetic chemical that can be readily manufactured at quite a reasonable price. In its manufactured form, it is not soluble in water and must be combined with some solvent. A number of chemical companies immediately took hold of this idea early.

Last year at least ten companies made 2,4-D weed killer using different names. It was put on the market through retail outlets, feed stores, seed stores, and hardware stores. So it was largely used and largely experimented with. A good many of you have seen and used one or more of these 2,4-D products in one form or another. Experiment stations were greatly interested in its performance. And, as a result, we have had literally hundreds of experiments conducted throughout all the states in the Union and certainly in Idaho, and we got varying kinds of results. I assisted in putting out a number of such trials myself, and I admit I was greatly interested and somewhat excited about the results as they appeared in the first few weeks. A number of our county agents conducted experiments on all kinds of weeds and under all kinds of conditions. They tried to follow the manufacturers recommendations, but certainly they were put out under enough different conditions that some of them should have been successful. Last spring; in order to gather some of the information developed during the season, we prepared a data sheet on which to record the application data and the various observations of weeds that had been treated, and asked that they be sent in at the end of the season giving observations on their work. I think something around 150 or 175 of those sheets were returned to my office this fall, and I have endeavored to summarize them in this report giving fairly typical examples from each county. I have 50 copies of this report here for those who might want one.

We received a wide variation of impressions on the part of the people that used the material and, as indicated before, all kinds of results. In general, we can say that the results this year were somewhat disappointing. We had hoped that this was the magic chemical, and because it just didn't work out that way we're kind of disappointed. I think, though, that probably this chemical does have a good many merits that we're not yet acquainted with. Even the results that we

got in many cases last summer make it highly worthwhile getting it into our weed program.

It does prevent seed formation. We've been spending literally hundreds of thousands of dollars for weed eradication, and we haven't done too much about the further spread of weeds. Too many patches go to seed every year because we don't have the time or the money to even prevent them from going to seed. Certainly this 2,4-D in its various forms is a good means of seed prevention.

It affects various weeds quite differently. In almost any dilution with almost any kind of a sprayer it will kill the tops of Morning Glory. It may kill a part of the root system, but it's easy to kill the tops on morning glory, white top, toad flax, perennial ground cherry, and others. You don't always get a kill on the tops on many plants, but it will kill seed. I think most of you who have seen it used know that it does not affect grasses. We'd like to have a chemical that would even kill the tops of quack grass. Most all wide-leafed plants are sensitive to it and are easily killed but there is a great deal of difference in reaction of wide-leafed grasses. Instructions said high temperatures were necessary to get any kind of a kill; that we should not start spraying before the temperature was at least 70. Since May was a cool month, all spraying in Idaho last spring was delayed until after the first of June. Some of the work demonstrated a little better results by earlier application. Apparently, best results are secured during the most vigorous growing seasons.

The University carried out quite a wide series of experiments on about 15 or 20 different kinds of weeds. Apparently they were put on after the vigorous growing season of the plant had passed, and the results as observed on those trials were not satisfactory. It is possible that when we look at them in the spring, after the new growth is expected to start, we may find some value in fall treatment. It is thought that bright sunlight or cloudiness has some influence on the results. I had a report from a county agent that he sprayed a patch of morning glory, part of which was in deep shade, and had better results in the shade than in the sun. We might just as well start in on our experimental program in determining what the real value will be.

2,4-D is included as a part of county weed control programs. A number of them bought sprayers and chemicals either on a demonstration basis or custom basis the same as other weed chemicals. When we made our annual survey, I asked what part they thought that 2,4-D would play in the weed control program for another year. I found that most of them were quite conservative in their ideas. A number of them said they would probably not go much further with 2,4-D until they learned more about its effectiveness. Some questioned whether 2,4-D affected the amount of standard chemicals used in our program this past summer and thought perhaps it would not play as big a part next year. There is considerable interest in this problem. We think it may have some possibilities -- maybe great possibilities. We still don't know many of the answers. It is appealing because of the ease of application and other qualities. The companies have various classes of 2,4-D, varying from $15 an acre to around $85 or $90 per acre for the material. I recently had a representative of a chemical company call on me. They use a 40 percent liquid at about $7 per gallon. Cost of material for an acre would be only $2 or $3. A year ago, if we could have imagined a moderately good weed killer for $2 or $3 an acre we would have been happy. That is one factor about this new material that makes it highly appealing.

In closing, I would like to read to you from the report of the Regional Committee of the Central States Weed Conference. A number attended the Western States Weed Conference. Research men, commercial men, and weed supervisors interested in the practical end of it got together and talked over their problems. A similar conference is held in the Central States each year. This year it was held at St. Paul. A year ago they appointed a committee to work on 2,4-D and bring their findings together and make a report at this year's conference which was held in December. The joint opinion of those men would be about as sound as anything we could hope for.

Policy Committee Report

The policy committee's report, adopted by the Conference recommended:

1. That the uniform plan of experimentation with 2,4-D and other chemicals be continued as a conference project in 1946.

2. That the conference approve the use of 2,4-D for the control of certain lawn weeds, the qualifications and details of recommendation to be set up by each state.

3. That, based on the experiments to date, this conference is not prepared at this time to approve the general use of 2,4-D on annual weeds in growing crops.

4. That the conference approve the general use of 2,4-D on certain annual weeds, not in growing crops, the list of such weeds to be prepared by the research committee. A list of resistant weeds will also be prepared.

5. That due to variable results and the short experimental period this conference is not in a position to recommend 2,4-D for general use in eradicating deep-rooted perennial weeds.

We in Idaho feel pretty much the same way. We don't feel we are in a position to unqualifiedly recommend these chemicals and we feel that a lot more work needs to be done. Use for seed control is well justified. We should not lose sight of the value of our old, established and well-tried control methods and go over to any great extent at the present time to the use of 2,4-D.

County Committee Responsibilities
by Art Cummings, Western Region

You know, when we take stock of the conditions of farmers today, I wonder if we are being lulled to sleep by the smooth way things are running. I know sometime ago in Washington, when we were talking about having meetings in the country, in discussing the experiences we have had in the last few years in getting people to elections, the question came up as to what to do to get farmers interested enough to come out and go over the program and see what can be done to improve it.

Some folks are trying to get congressional action on the floor of the House to take support prices out from under us. If this is done, the market will react and drop.

Maybe you wonder what that has to do with county committees. Why are you a county committeeman? What is your purpose? Why were you elected? -- to administer the program in the county and represent the farmers of your community. I know you realize the responsibility you have. We have gone a long way in a few years.

When I was a boy my dad was agent for our rural grain buyers in town. The farmers organized to build a farmers' elevator and had money ready to go ahead, but the railroad refused to sell a site on the railroad line. That was a long time ago. After organization of the grain growers they thought they should have a place in the market place. They tried to buy a seat on the Board of Trade in the cities and were refused. The Congressman and Senator from Kansas went to Washington and got a Bill to force the Board of Trade to let farmers buy a seat so that they could have a chance.

Back in the first days of Triple-A, when we had our first meeting and brought the county committeemen together in the district, the boys from the State Office came out. They didn't have nerve enough to get up and say yes or no. If you were in the position I have been in in the last five years -- to go out and see developments taking place in agriculture -- you wouldn't think it possible that things could have changed so much. It continues to just kind of grow on you. We have done a great job. You boys have done a marvelous job. The only way it could have worked is the way they decided it should be set up, with farmers administering the program.

There is all kinds of talk about allotments. It started out with allotments which in my part of the country was the only thing we lived on for a number of years. We had to have a lot of supervision. The county office was supervised by the state office and the state office by Washington. Through the years we have proven we can do it. People said, "You can't get a bunch of farmers together to administer a program. They will wreck the whole thing." But look at what we have done -- the job we have done in production during wartime for instance. I don't know whether you are aware of it or not, but a couple of years ago when we needed corn for war production you couldn't buy corn. There was only thrity days' supply on hand and they were desperate. Every method possible was used to get farmers in the corn belt to sell corn, but the farmers wouldn't sell the corn. They called Ed Dodd on it and he got to work. He told the boys that we had to have corn. They had meetings in the corn belt states, went down

the line, and inside of two weeks they had enough corn to take care of the corn needs for the war effort. Do you suppose it would have been possible a few years ago for us to pay 22 million drafts in the county offices on dairy feed payments alone besides the subsidy payments on cattle and sheep and do the job we have done? We have proven that we are the boys who can do it.

Now let's spend a little time on what we have not done. How many fellows in this room have made a point to meet with the Chamber of Commerce, to meet with them and tell them about the program? How many have had schools in the county to instruct people there about the reasons for our Triple-A program? How many people have called on their congressman when he is home and told him what to do? I have heard you complain about the need for money to administer the program. The boys who shell out the money are your congressmen. In Washington the other day one of the fellows told me the last time his congressman was there he took him to dinner and it cost him $10, but it was worth it because the congressman had never before realized how much business was being done in his county Triple-A office. At first the congressman was against Triple-A. He didn't know what AAA was doing. The boys figured out by congressional districts how much work had been done. The congressman looked it over. When Triple-A's part in the conservation of the soil was explained to him, it was the first time the man knew we were in the soil conservation business.

I don't think there is anything in the farm program you need to be ashamed of. We could preach a sermon on soil conservation. I am worried because we have done so little.

You know, after all you just can't be lulled asleep. We have been a long time getting where we are today. But we are there because men like you have been willing to give time and fight for what we needed. Things are going mighty well; prices are good. We have an organization. We have men in Washington who are just like you. It hasn't been many years ago when political parties were wanting to give a little to agriculture, but we were the last to ask for what we wanted. It isn't that way today. But for all the advantages we have, it means we must be on the alert. There is a lot of money in the country. Farmers are prosperous. They have paid off their debts. Maybe they aren't too interested in credit and security. Maybe they think we don't need Triple-A. Don't be lulled by the illusion of a smooth road ahead.

When I was a State Committeeman a long time ago we had a smart man in our organization -- the secretary. He was the fellow who answered all the questions. He held the meetings and did everything that needed to be done. We were just figureheads. We didn't know too much about the program. We came in and signed papers. John did a good job of handling the program, but John drank a lot of liquor. Finally John left the service. That was just like taking a leg out from under a table. There was nothing we could do about it. We appointed another secretary and he was about the laziest man God ever made. His attitude was: the farmers of the community elected you on this committee and so you can just take care of it. I will be sitting in the back of the room if you get into trouble. It is in the law that farmers run the program and I'm not going to make your money for you. As a result he made a good committee out of us. If we like our program, and I think we do, if we want to keep this program -- if we expect to live the rest of our lives under this kind of program, and most of us have children to carry on after we are gone -- if we want to continue to farm this way.--- it will be you boys who will do it.

Mr. Geissler told you about the senators in Washington who wanted our help. Believe me, they are getting plenty of letters, but all from the opposition. During the years of the marketing quota it was funny the letters and calls we got from Congress about this and that. Ninety percent of them were against the program. Yet, every time there was an election in the state, marketing quotas went over ninety percent. We were satisfied; everything was running smoothly so we didn't criticize, but the boys on the opposition side were making a big noise.

If we don't get anything else out of this conference this week, let's resolve to go back to our counties and do a better job of selling our program -- not only to the farmers in the community but to the businessmen. They are dependent on farmers' position in Idaho. There isn't a thing in our program to be ashamed of. If any other organization in the world had the kind of setup we have, they would really be making hay. Let's not be afraid. Tell our story of an organization that is run by farmers from the top to the bottom. The boys who are helping you in Washington, Mr. Dodd, Mr. Geissler, and others are farmers. The Director of the Southern Region is a farmer from Oklahoma. Northern Regional Director is a farmer from Nebraska. Head of the East Central Region is a farmer from Virginia. Each and everyone represents agriculture. They know your problems. They are doing everything possible they can, but all they are doing is administering the program. It is up to county committees of every state to see that the men who are furnishing us with the wherewithal to get our job done can realize what they are getting for the dollars they are putting out. The only people who can do that are the farmers themselves. You fellows have been elected by farmers in your community. You wouldn't be here if you weren't recognized leaders of your communities. Let's do the job so our boys may be able to farm the way we are farming now and won't have to go through the things we did in the early 30's.

Responsibilities to Veterans

By Ronald W. Purcell, Director, Farm Security Administration, Boise, Idaho

I want to make my position clear before I start telling any details about this problem. I am occupying this position for three reasons -- Milford asked me; I am a citizen of the State of Idaho and as such I am devoutly interested in seeing that the returned veterans get what they are entitled to and because Congress assigned a very small part of the responsibility of the veterans to the Farm Security Administration.

The GI Bill of Rights is administered by the Veterans' Administration and no one else. It is administered first, last and always by the Veterans' Administration.

I propose to cover only a very small part of the subject that is listed on the program "Responsibility to Veterans." But I do expect to give some figures to think over and see if you can see as I do the importance of this problem.

I ask you to go back and look into history and see what has happened. Most all military traditions date back to Alexander the Great. He introduced the system of awarding the spoils of the land to the soldiers instead of to the officers. We can also go back to the history of the Roman Empire and you will find that the ultimate cause of the fall of this great empire was its failure to recognize the needs and desires of the returning veterans. A great many countries have failed to recognize the importance of this. You can see what the results have been. When the boys came back from foreign wars they found no land left for them. Monied people acquired the land and these soldiers returning from foreign wars were forced to walk the streets. They remained idle for some time, began organizing and internal dissension resulted. That was the straw that broke the camel's back. I ask you to look back 25 years and you will find that in all the countries that fought in the last war on either side the returned soldiers in all except two overthrew the government that was in control when they returned.

I ask you, doesn't that give you enough information to recognize the importance.

Congress saw fit to appropriate 25 million dollars and hand it to FSA for the purchase of farms by veterans. If that money were divided up according to farm population, Idaho would have received about $110,000. But at the present time we have received $150,000, and I believe we are the first state in the U.S. to use their tentative quota for purchasing farms for veterans. That money is gone and we have requested another one-half million dollars because we have sufficient applications on hand in this state from veterans who have found farms at reasonable prices to take an option on the place equal to one-half million dollars. We have made loans for livestock and machinery, etc. to 67 veterans who had leases on farms, two of which have been liquidated already. The loans were made in July and have already been liquidated, which shows how sensitive the problem is.

I am going to give you some figures I have presented in several meetings: There were approximately 16 million people who have been or will have been in the war by the time it is all over. Surveys conducted prior to VJ-Day by the Department of Agriculture for the Veterans' Administration shows that 8 percent or 1,280,000 of the veterans definitely wanted to come back to full-time farms. Two percent,

or 320,000, probably want to come back to full-time farms or a total of 1,600,000 are definite and probable prospects for farms. In addition there are 380,000 farm boys becoming 21 every year in the U.S. According to past records, 190,000 elect to stay on farms; the rest go to town and become bankers, etc. In addition to that figure we have the great hoard of returning war workers and no one can determine what they will do. There are a great many, however, who have come back with money they have saved from war industries and have bought farms.

According to the report as of January 1 there have been approximately 62,000 taken from Idaho into the military. As of January 1, 25,700 have been discharged and as of a recent survey Idaho has suffered a net loss in returning veterans to the state.

Taking the same figures of 8 percent definitely wanting to come back to farms, there would be 4,960 desiring full-time farms in Idaho; 1,240 probably desiring full-time farms; 3,720 desiring part-time farms, making a total of 9,920. Now using the same ratio as in the other figures, there are 2,625 boys becoming 21 each year in Idaho. If half stay on farms there would be 1,312. Add 1,312 to 9,920 and we have 10, 232. If all veterans were released immediately we would have 10,232 who would want farms. They probably won't all be out and ready to farm for several years.

During the war it was considered patriotic for farmers to expand their operations for the purpose of producing food and fiber for feeding our soldiers and allies. But now that these veterans are coming home, it is just as patriotic in my opinion and just as much the responsibility of the farmers who did expand operations to offer a part of that land to the veterans who desire to farm.

You have demonstrated that you can work harder and work longer, and you have done a wonderful job of producing food, but don't forget this -- you have been making money too.

Western Division Laboratory
By George E. Bradley, Western Region

Last November the Director called George Weaver, Jack Ahearn and myself back to Washington to try and work out a program whereby we could utilize services of the Western Division Laboratory to the greatest advantage. In the past each state has been placing orders direct with the Laboratory with no control at the Regional level. As a result a few of the states have received all of the services while others did not receive any. In order to equalize these services and at the same time receive maximum use of the facilities available at the Lab we decided to develop uniform mapping methods, and standardize services to the states. A memorandum has been sent out to the various state offices requesting each state to develop mapping programs needed to be done at the Laboratory. During the war our Laboratory was tied up with war contracts and could not continue the mapping projects started. As a result we are about four years behind with this work. In the future the Western Division Laboratory will not accept any orders direct from the county offices. Orders must first be processed in the State Office.

The Laboratory is designed to handle two different types of work -- processing and developing aerial photographs and reproducing Black and White prints. In Idaho you folks are further advanced with the general mapping program than any other state. We would like to complete the mapping work for one state. You were selected as the favored child. Starting the first of December, all work orders for the other states were stopped in order to clean up all incomplete jobs and back orders for this State. Idaho mapping work is being done and will be done until March 1. The Laboratory is drafting county master map tracings for Franklin and Oneida counties. In addition to that, they are drafting sketch maps for thirteen other counties.

There are a few problems in connection with aerial photographs. At the present time there are no definite plans or appropriations available for making new flights nor for re-flying this area. We are, however, taking an inventory of all photographic needs. I am satisfied that in the near future some governmental agency will be back in aerial photography work in a big way.

We had a meeting in Idaho with farmer-fieldmen and the State Committee whereby we developed mapping plans and photographic needs for your State pretty well. There are a good many places in irrigated counties where aerial photographs are becoming obsolete. We do have in Idaho a few counties that have had aerial flights made where the film is in the Lab and has not been developed. That's one of the first jobs we ought to clean up. That will be done in the very near future after we have our meeting down at the Lab in March. A few counties wanted reprints of present enlargements. Those orders are now being filled. There are many old ground maps and plane table maps still in the State. If we could get photographs for those areas it would be the best way to solve our mapping problem. The present ground maps are of little or no value to the county offices. In some of the other states they are attempting to prepare so-called farm sketch maps from their ground maps, so that at least we can have farm sketch maps to use.

We've decided to offer an additional service by setting up a central supply unit in the Laboratory for certain drafting materials for county offices. County offices have not been able in the past to take advantage of Governmental purchase

orders on this type of equipment. It was decided that some of these materials will be purchased in the Lab and held there for the county offices who may secure them by placing an order through the State Office. If you will let us know the type of equipment you need, we probably can expand the list that is now offered for procurement.

Program and Accomplishments of the Western Regional Laboratory

By I. C. Feustel, Bacteriologist, Western Regional Laboratory, Albany, California

The Western Regional Research Laboratory, located in Albany, California, across the bay from San Francisco, has been operating for five years. The building is almost the size of an ordinary city block and has three stories and a basement. We have 97 standard-sized individual laboratories and a large room, extending the full height of the building, for pilot-plant operations. The staff consists of about 160 scientists, most of whom are chemists. In addition to chemists we have engineers, physicists, and bacteriologists, and also administrative, maintenance and business staffs.

Our program was initiated by Congress in 1938. Early in that year Congress requested the Department of Agriculture to establish four regional laboratories, of which the Western is one. The purpose of the four laboratories is to find new and extended uses for agricultural products. These four new laboratories are administered by the Bureau of Ag ricultural and Industrial Chemistry, with headquarters in Washington, D. C.

The Bureau has distributed the responsibilities of the four laboratories. The Western laboratory works on fruits, vegetables, alfalfa, wheat and poultry. The others likewise work on the chief crops of their regions.

In this brief description I have sketched the larger features of a comparatively new development in agricultural research by the Federal Department of Agriculture. What it amounts to is simply better organization, better facilities, and a better program for research designed to increase the industrial usefulness of farm products. Working relationships are maintained with the State Agricultural Experiment Stations, which are also interested in the development of the usefulness of farm commodities.

As I have said, we have been operating for five years. In 1941 we had only begun, and at that time we undertook certain wartime assignments. Now these are being completed and we are looking forward to a peacetime program.

While we are on the subject of war, I will mention one wartime achievement for each of the four laboratories, in order to suggest the nature of our work. The most outstanding achievement was the discovery in the Northern Regional Laboratory that by the application of certain techniques, the yield of penicillin could be increased 100 times. All of us know what penicillin has meant during the war and what it will mean in the years to come. It is impossible to estimate the financial value of penicillin, because it is impossible to put a financial value on human life. The new penicillin industry has required 20 million dollars' worth of equipment. In the years to come millions and billions of dollars' worth of penicillin will be produced. The other laboratories have made no such conspicuous contribution as the Northern. They have, however, been active. The nature and importance of discoveries are not always determined by the amount of hard work put in, as you well know. One discovery in the Eastern Laboratory was the fact that "apple honey" can be substituted for glycerine as a humectant in tobacco. One achievement of the Southern Laboratory was the discovery that cotton fabric used in sand bags can be rot-proofed, thus made more durable. One achievement in the Western Laboratory was improvement in the technology of dehydration, particularly of vegetables and eggs.

It is an interesting exercise to attempt to place a financial value on research. Sometimes I think it is nothing more than a pastime, because we all know that research has "paid off." Scientific investigation, teamed up with production and distribution, have made our modern civilization possible. Discoveries made, let us say 40 years ago, such as immunization for the control of hog cholera, can be said to be yielding financial values even today, and will continue to yield financial dividends indefinitely.

Judging by the practice of industry about one percent of agriculture's 18 to 20 billion dollar income should be spent yearly in research -- not necessarily by the Government but certainly by somebody, and I suppose that in a financial sense, since the funds of the Western Regional Laboratory are roughly a million dollars a year, we are responsible for about 1/200 of the country's proper quota of agricultural research.

But I don't want to bore you with financial gymnastics. You are undoubtedly more interested in what we are doing with vegetables and the other commodities assigned to us. The best I can do in the time I have is to describe certain of the projects under way in the Laboratory. I shall attempt to give you as nearly a complete picture as possible of the research we are doing. The more research we do the more we see that could well be done, with profit.

As I have said, the Western Regional Research Laboratory drew vegetable and egg dehydration as its major wartime assignment. Since the beginning of the war about a third of our staff and facilities have been devoted to vegetable dehydration alone. In this work we have kept closely in touch with the new warbuilt industry, the Quartermaster Corps, and other agencies. We installed a great deal of equipment in our pilot plant room and set out to find the answers to a large number of problems.

We prepared survey information to be used in the location of plants, designs for dehydration equipment, and plans for new plants. Our staff members studied the existing literature on dehydration and began experiments to determine the best methods of preparing, dehydrating, packaging, and storing. All of this work, as you are aware, had to be done at the same time industry was being established. Ordinarily we think of research as being "frontier work," completed far in advance of production. That was not true of vegetable dehydration research during the war, nor with egg dehydration research, in which we were also deeply involved.

The history of vegetable dehydration during the war has not been written. No one has collected all the details and set them forth, but we know that over a billion pounds (processed weight) were purchased and used by the armed forces and Lend-Lease. Our research has been concerned with such phases as preparation, dehydration technique, packaging, compression, and storage. The latter phase (storage) has been very important because in our storage tests we have estimated the effects of such factors as blanching time, sulfiting, moisture content, temperature, and others on final quality of the cooked product. Studies have shown that moisture content is very important. One of the latest accomplishments was the demonstration that a small amount of desiccant material, such as lime, packed in a moisture-permeable container and inserted into a sealed can of dehydrated vegetable, will perform the important function of reducing moisture content of the vegetable while it is being stored or transported.

The present dried products are not perfect, but it is significant that hundreds of millions of pounds were used during the years when shortage of shipping space was a crucial matter.

Our major objective in research on spray drying of eggs was to find means of extending storage life. The egg dehydration industry, with its capacity of several hundred million pounds annually, was built almost entirely during the war. Much has been learned but a great deal remains to be learned about the intricate chemical changes that occur when a food product is deprived of its moisture content. We are of course concerned with practical measures but we realize too that the more we know about the fundamental chemistry involved in the deteriorative processes, the greater will be our opportunity to prevent them. It has been found that low moisture content is very important in the keeping quality of dried eggs. Other studies have indicated that slight changes in the acidity of the eggs can be made before spray drying, and that with some of the treatments the useful storage life can be extended as much as six-fold. Dried egg, like vegetables, is now a much better product than it was during the first part of the war.

During the past several years the frozen food industry has grown rapidly. Increased use of frozen foods by the armed forces has been particularly important. Research at the Western Regional Laboratory on the freezing of foods has covered a wide range. Considerable wartime research was undertaken in cooperation with the Quartermaster General's Office on the use of frozen vegetables in army subsistence. When the United States entered the war and embarked upon the tremendous task of training and deploying armed forces sufficient to win both in Europe and in Asia, subsistence problems were not the least of those that had to be faced. The Surgeon-General's Office and the Quartermaster Corps desired to take advantage of the many advances in nutritional science during the past 25 years and to provide rations for the troops that would keep them fit and healthy. At the same time shortages of steel and tin for containers and the critical shortage of shipping increased the supply difficulties. Frozen foods could not be used overseas in any material volume because of the lack of refrigeration in most ships and overseas food dumps. At training camps and other large military centers in the United States, however, the opportunity existed to make relatively free use of fresh and frozen foods. The advantages inherent in frozen foods were soon recognized; they would eliminate much preparation, labor, and serious waste problems at the camps, and would in general be superior in quality, at the time of consumption, to "fresh" produce held for a number of days under camp storage conditions. Successful military procurement of large quantities of frozen foods, particularly vegetables, was dependent, however, upon solution of several new problems, especially the establishment of suitable standards and specifications. Research carried on in the Western Regional Laboratory contributed to the solution of these problems.

Government purchases of frozen vegetables rose from 2 million pounds in the fiscal year 1942 to 75 million pounds in 1944, and then declined to 50 million pounds in the last year of the war as most of the overseas deployment was completed. The total amount purchased was about 160 million pounds, valued at substantially $30 million.

For comparison, about 1,160 million pounds of dehydrated vegetables were purchased during the war. Since these were dried, they represent about 5 billion pounds of fresh vegetables.

Now, to go on to some of our other research. Our technical staff is made up of 19 subdivisions or sections, each of which is pursuing one or more projects or major portions of larger projects. For that reason I'll have to cover the ground hastily.

While I am on the subject of dehydration I must mention our work on spray drying of vegetables and fruits. Recently we have completed the installation of a pilot-plant scale spray drier. Spray drying appears to hold promise for ultimate profitable utilization of substantial quantities of sound culls.

Little or no commercial application of the spray drying process to fruits and vegetables has been made beyond a rather limited production of lemon and orange powders dried with a large admixture of a specially prepared grade of corn sugar. Lemon powder finds its principal peacetime use in pie making, for which it is said to serve admirably.

There is no particular technical difficulty involved in the spray drying of most vegetable purees. Powders are readily prepared and from them soups and perhaps other edibles of excellent flavor can be made. Much research remains to be done, however, before their preparation can be recommended as a definitely worked out profitable endeavor. For example, the suitability of over-large peas must be studied, for it is to be anticipated that the fancy grades would be more profitably disposed of through the usual channels of canning or freezing. Varietal differences must be observed. Uses for the powders other than for soup preparation should be found. Many engineering studies, including optimum methods for pulping, preconcentrating and atomizing must be made. The effect of operating temperatures and humidities on quality must be studied and the shelf life of the powder under a variety of conditions, especially of temperature, moisture content and atmosphere of pack must be determined. Finally but by no means least, careful cost studies must be made, for spray drying is one of the most costly evaporative processes.

The drying of tomato and fruit products presents a somewhat more complex technical problem. When reduced to powders these juices and pulps have a serious tendency to become sticky at relatively low temperatures which vary with different materials and with the moisture content. Since the humidity of the surrounding air determines the moisture content of a powder, this factor as well as the temperature must be controlled closely -- otherwise the dried fruit will be found plastered on the walls of the equipment rather then in the finished package. Conditions suitable for dehydration of tomato juice have been partially worked out. This powder is nearly equal in edible quality to the paste from which it was prepared but as in the case of the other vegetables referred to, there is yet a great deal of research to be done before the process can be recommended to industry.

A number of fruits, including several berries, apples, citrus fruits, peaches, apricots, and pears, have been spray dried in a small laboratory drier with very encouraging results so far as retention of flavor and nutrient value is concerned. The berries are outstanding in this respect and jelly prepared from the powder cannot easily be distinguished from that prepared from the fresh fruit. A number of uses suggest themselves for fruit powders -- for instance, addition to jellies, jams, ice cream and desserts. Bakery goods would constitute a promising outlet, especially for dehydrated apple. It is unfortunate that the problem posed by their tendency to stick to equipment is more difficult even

than in the case of tomato, and thus far no powders have been successfully prepared on a pilot plant scale.

One waste material that we are studying thoroughly is asparagus butts. Production of asparagus has increased rapidly in the Pacific Northwest during the past few years. The five important producing areas in order of their importance are: California, New Jersey-Pennsylvania; Washington-Oregon; Illinois-Michigan; and South Carolina-Georgia. The total waste accumulating each season at canneries and packing houses is probably well in excess of 50,000 tons.

Most of the experimental effort on this problem at the Western Laboratory has been directed toward the extraction, concentration and use of asparagus butt juice as a medium for culturing certain useful micro-organisms. Molds and bacteria that produce various antibiotic compounds and a bacterium that produces proteinase enzymes have been investigated. Without going into the details of the manner of production or uses of these compounds, it may be stated that a very good medium for growing these micro-organisms can be made from waste asparagus butts. The results of pilot-plant investigations showing the estimated costs, method of production, and possible markets are available for anyone who may be interested.

The work of bacteriologists in the Western Regional Laboratory is closely related to the vegetable industry. They have under consideration, for instance, the use of propionate to control spoilage of fruits and vegetables during the time they must be held in the fresh state. The method has been tried on shelled peas, berries, and other products and is promising, although it is not known whether products thus treated can be approved by the Food and Drug Administration. Our bacteriologists have also worked out a convenient method for the determination of the sanitary history of frozen vegetables.

You would be interested, if you could visit the Laboratory, in seeing some of our engineering work. Whenever a new process or product, which has been developed in the Laboratory, is ready for larger tests we prepare for pilot plant experiments. That means that our engineers must study equipment. We have conducted pilot plant studies on the production of the asparagus juice medium that I have just mentioned. Pilot plant studies have been carried out on the production of tartrates from grape waste by a new process; production of yeast feed from pear waste; production of gluten sulfate, an interesting substance with possible food and pharmaceutical uses; production of Velva Fruit, the new dessert that is now being tried out on a large scale commercially, and a number of others. Our pilot plant studies are always as comprehensive as we can make them. Not all are conducted in our own pilot plant room. A number of industries have made available their plants and equipment for these commercial trial studies.

Very often our engineers see the need for modifications of available equipment and also for new equipment. You would be interested in seeing, for instance, the new type of onion peeler and the new blanching equipment which are now being developed.

In this discussion I have mentioned our work on vegetables prominently but in closing I want to present a more general outline of our program.

Our work on vegetables includes the dehydration (both the tunnel or cabinet type and the spray drying), freezing, preparation of juice concentrates for use in

production of antibiotics, modification of vegetable oils for various possible uses, and bacteriological studies related to sanitation and quality.

The program on fruits includes freezing preservation (particularly control of the browning reaction and the preparation of new products such as Velva Fruit from puree); the modification of pectin and the development of new uses for it and a new method of manufacture; a method of making yeast feed from pear and perhaps other waste; recovery of tartrates from grape waste; new enzyme preparation; ascorbic acid from walnut hulls; and dehydration of fruits.

Our studies related to poultry include the egg dehydration; freezing preservation of both eggs and poultry; preparation of lysozyme (an antibiotic) from egg white; and preparation of fibers, plastics and adhesives from egg and feather protein. Our work on alfalfa has been confined to studies of chloroplast pigments and other constituents. Our work on wheat is confined chiefly to wheat gluten, and our studies are concerned with glutamic acid and gluten sulfate. We have done some work on the extraction of tannin from bark of the Western Hemlock.

If time were available I should be glad to show you how, in each project, we have proceeded step by step toward solutions of problems and accumulation of new and important information. In our five years we have not only done our war work but have made substantial progress, we believe, toward increased industrial use of farm products.

Conservation Needs Survey

By G. F. Geissler, Director, Western Region, AAA

The year of 1946 is the tenth year that we've been operating the AAA conservation program as we know it. We've never known exactly just how much of a job we had until we got the job done. We've tried to gather surveys that have been made by other groups and estimate how much of a job it is. None are adequate. SCS has the best estimates, but theirs are based on the districts they have, and often are misleading. Districts can't be set up because of a particular area. That might give the appearance that that was the situation of the entire state.

This year we're going to try without too elaborate a program to see if we could, by the use of county and community committeemen, have you obtain a national survey to give us some kind of an idea of what our job is. We're doing this for the reason that we want it in Washington when Congress considers our annual appropriation. Congress will want to know how much progress you're making on this problem and how big the state job is. Until now we've had $250,000,000 or $300,000,000 annually. They'll want to know how long it will be before you'll get the job done. We'll have to let them know how much we'll need in 1947 and give them figures which will indicate what our organization must be in order to get the job done. It will be a rather large final figure. They'll wonder about the practice of building dams on the range. We're building an awful lot of dams. Anyone who isn't familiar with the range country might ask "Haven't you built about all the dams you need out there?" I don't know whether or not we have. Construction of dams in some areas has run into large numbers. We won't know unless we really take a look over every unit and determine whether there's adequate water facilities on those units, and then add up the number that you've constructed and the number that you need to construct. I think probably you folks out in the county are going to get as much out of it as we. In making determinations on what practices you're going to approve for the county and individual farms it is going to help you a lot if you really know what your job is going to be. Some jobs need priority over others. You should decide which practices you need most. In connection with some practices you'll have to start right in on the job. In flood and water control projects you should get the whole picture before you. Start at the top of the watershed and work on down. A big dam might be at the bottom of a watershed and get washed out. I feel that if you really get a good job done of making your survey out in the county, you'll be using that throughout the year in determining what practices you want in the county and in making your recommendation on new practices you want to have.

The first problem this year is that we'll not have too accurate a job. We haven't the money and the time to go over every place physically and make an examination or determination. The best you can do is get together in one or two meetings and discuss your conservation problems in that community, and then, probably in small groups, sit down and take an imaginary journey around the community and make your estimate on that basis. Get the best opinion of the community and county committee.

If we do a pretty good job this year, then annually we ought to take a look. We ought to be able to determine our total need annually. We'll get started on a pretty good figure of what county conservation needs are. Once a year after that take a look at it. If we've determined in this county that 5000 dams are

needed and we build 500 it would mean that our figure from then on should be about 4500. Sometime in future years some problem might develop out there that you haven't anticipated at this time. Eventually we'll have a very good idea of the total job and program. We don't have a very good idea nationally as to whether we're gaining or losing or holding our own or if we are conserving the fertility of our soil. It's similar to a farmer repairing his machinery. He pulls up to the repair shop when harvest is done. He then gets his necessary repair parts and goes to work on that machine and reconditions it. As he goes through that process again and sees how much repair work was permanent and what new repairs are necessary, he notes details of how to do the job. In sending this job out from Washington, we didn't write out detailed instructions on it. You'll have to work out procedure for doing the job.

We've talked a lot about job relationships and getting information to farmers, and we've also talked a lot about acquainting business people with the farms. In making this conservation needs survey, if we get some business men in on this job, that will be one of the best ways of impressing the folks with what we're trying to do and what our problems are. Call a meeting to discuss your needs and try to get the folks to discuss it. After your discussion you'll have to do a pretty good job of selling them with the necessity of going on a conservation program.

Because of the limitation in funds and time, this can't be an elaborate thing, but, in this way, through meetings and through the knowledge that folks have in the community, I think we can get a pretty good figure to start with. It will help us and will give you an opportunity to determine what you need in your annual program to get this total job done.

Plans For Conservation Needs Survey

By Jerome Evans, Member, State Office Staff

Mr. Geissler has outlined very clearly the reasons why we should make a conservation needs survey. I would like to spend this time now in outlining, in a general way, our thinking in the State Office on how best to accomplish the job in Idaho. We want to get the most accurate answer possible of our actual conservation needs in this state.

We have had the information for the past month or two -- that a conservation needs survey would be conducted throughout the nation, but purposely haven't released the information to county offices because of other "must" jobs which had to be cleaned up before much time could be spent on a job of this type. We are not asking that a detailed survey be made of each and every farm or ranch in each community. We believe that an estimate made by community and county committeemen, will in the aggregate, reflect a fairly accurate picture of conservation practices needed in the state.

It is our desire that the survey will have its beginning in each community -- such estimates being summarized into county needs. The county needs them summarized into state needs and state needs will form the basis for determining national needs. We haven't any stereotyped system or method to give you to follow in conducting the survey. There are, however, several things relative to making the survey which must be kept uniform if the results are to mean anything to the persons using the completed summary. (1) Our summary will include only those practices eligible to be performed under present existing legislation of the AAA program. In other words, our survey cannot include practices needed on all the lands in the state. All that is wanted is a summary of those practices which could be performed under the AAA program -- using the 1946 handbook as a guide. (2) We must summarize our estimates on a prescribed form so that correct interpretations can be made regardless of who is using or studying the results. The forms which have been prepared for this purpose are in sets of "threes". That is, practices performed annually are on one sheet, practices recurring periodically on another sheet and those practices of a permanent nature on still a separate sheet. The forms definitely list all practices offered throughout the Western Region for 1946, and in addition the back of the form allows space to write in any new practices which might be needed and could be performed within existing legislation.

Our plans are to give you a set of general instructions and suggestions to follow. At the meetings to be held in your counties in the near future it will be possible to discuss the line and item part in more detail and answer individual questions. Our object in announcing this job now is with the hope that you will be able to start the necessary publicity in your counties, and in general, build up enough enthusiasm and "fire" so that the job is carried to conclusion in as short a time as possible after it is once started. It is our thinking that it may require 1½ to 2 months -- not over that amount to complete the job. If such a procedure is not followed, this survey will in all likelihood linger along for six or eight months, interest will be lost, procedure forgotten, and in general the final results will not be as accurate as could otherwise be obtained.

To conclude then -- take this information back to your community committeemen and tell them what it amounts too-- why it is needed and lay general plans for summarizing results. Give the job plenty of publicity. Talk to business people as well as farmers and get their ideas on conservation needs. When the coming meetings are held we will try to help you establish definite dates for committeemen to make their estimates. If this procedure is followed the task will not be difficult and it will be finished quickly so that we can go ahead with other jobs without having this one still hanging over head.

The Farmer's Stake in Price Control

By W. T. Lockwood, District OPA Director, Boise, Idaho

We are now in the postwar period which has been designated as the reconversion period. VJ-Day marked the end of the shooting phase of the war and may be considered the first day of the reconversion period.

Immediately after VJ-Day there developed in the United States three fairly definite trends of thinking with reference to the economic pattern the country would follow. These three trends briefly stated are:

1. That the country would immediately experience a deflation that would become permanent and probably run for a considerable number of years. This view was based on the anticipation of immediate mass unemployment, a quick reconversion for the production of consumer goods and the termination of war demands for raw material.

2. That the country would enter upon a period of prosperity with continuing high prices and immediate reemployment of war workers at good wages supported by the vast buying power of the public.

3. That the country would experience an immediate but temporary deflation to be followed by a period of inflation very much after the pattern of the country's experience after World War I.

We are now far enough away from VJ-Day to discover that the country is not following any one of these three patterns but that our post-war trends are rather a combination of all three types.

Due to the development of unpredictable industrial problems, our reconversion program has been very definitely slowed down. All of our war scarce goods, including farm machinery, trucks, automobiles and other consumer durable items, clothing, building material and many food items remain scarce. The present outlook for the production of these scarce commodities is not very hopeful. It would appear now that many of these scarcities will be with us throughout the entire year of 1946.

At this point let me point out the fact that I am not undertaking to make out a case for the OPA. This agency operates under a mandate from the Congress and will operate just as long as Congress deems it necessary. The announced policy of the OPA is to decontrol rationing, price ceilings and rent ceilings just as fast as supply makes such decontrol safe. As you know, we have already decontrolled all rationing except sugar. In the price field the OPA decontrolled potatoes and citrus fruits. The lifting of ceiling price control on potatoes has worked out very satisfactorily. In the case of citrus fruits, prices jumped so drastically that the OPA was obliged to put them back under ceiling control; however, the OPA still holds to the policy of decontrolling any and all commodities just as fast as it is safe to do so.

Today we find two definite lines of thinking on the question of price control. There are those who contend that our only way out of the present situation is through unrestricted inflation. Those who hold this point of view contend that

we need inflation to pay our war debt, to stimulate production in our factories and on our farms and to maintain full employment at high wages. Those who hold this point of view openly advocate the immediate discontinuance of all price controls. They contend that with controls removed there would be immediate mass production of all consumer goods so desperately needed by the country. They admit that such procedure would mean a period of high prices for everything consumers buy but that in a few months mass production would flood the markets and as a consequence reduce prices.

On the other hand, there is a line of thinking diametrically opposed to the position just outlined. The advocates of this point of view contend that the only way out of the present situation is over the road of controlled prices. Those who hold this view contend that mass production can be maintained only through holding prices at a level low enough to enable the masses of people to buy the goods they desire. They contend that the estimated back-log of savings in the pockets of the American people, totalling some 150 billion dollars, should be safe-guarded through price control and made available for the purchase of consumer goods over a long period of years rather than dissipated in a period of wild inflation. And, frankly, this is the point of view of the OPA.

Facts seem to indicate that if price ceilings were removed the country would follow the pattern of our post-war experience of World War I; that with restrictions removed the public demand for consumer goods would, within a few months, send prices sky high and take most commodities out of the reach of the average consumer. Under these conditions home building to meet the present housing situation would be impossible. In other words, without price control the country would go through another period of Boom and Bust far more disastrous than followed World War I.

Such is the basis of our reconversion pricing program. Every effort is being made by the OPA to hold the line on prices at current levels. We have definite price control programs covering food, clothing, consumer durable goods, building material and services. The reconversion pricing policy of the OPA recognized the fact that it may be necessary to make certain adjustments to compensate for increased cost of production on the farm and in the factory, but these adjustments are being made wherever possible without increasing the cost of the finished product to the consumer. In some cases, however, it will be found necessary to increase the price at the consumer level. A good illustration of this point is the ceiling price currently announced on new automobiles; the 1942 retail price has been used as a base price and the slight increases granted are based on 1942 prices.

In discussing the subject assigned to me, "The Farmer's Stake in Price Control," I have chosen to give you the basic facts about our current economic situation rather than to discuss your individual farm problems. As successful farmers you are already informed on the general agricultural situation. You are fully aware that agriculture did a magnificent job during the war in the production of foods and fibers necessary to meet the war emergency. You also realize that the farmers are enjoying their first real prosperity in 20 years; that farmers have retired debts and mortgages, bought War Bonds and tripled their bank accounts since 1940.

Thus, in presenting the pros and cons of price control to you, I have presumed on your full knowledge of the present agricultural situation and on your desire to keep agriculture in a favorable position in our national economy.

If the OPA is to protect the farmer against inflated prices on the things he buys it must also maintain ceilings on the products of the farm. Price pressures are greater today than at any time during the war. The market prices of butter, meat, milk and nearly all farm products would sky-rocket if controls were removed. By the same token prices on everything the farmer buys would go up. In the end the farmer would be the loser.

As you know only too well, our economic order is such that the farmer is the last social group to participate in the benefits of an era of prosperity and the first group to feel the full effect of deflation. During World War I farm prices went highest, then fell first, fastest and lowest. And it can happen again.

School Lunch and the Farmer

By E. M. Wilson, Assistant State Director, PMA, Boise, Idaho

The marketing division of the Production and Marketing Administration was formerly the Office of Supply, Commodity Credit Corporation. Prior to that it was the War Food Administration, Office of Distribution, the Food Distribution Administration, the Agricultural Marketing Administration, the Surplus Marketing Administration, and originally the Federal Surplus Commodity Corporation. During the 1930's the Surplus Marketing Administration was charged with the direct distribution of farm commodities purchased on price support programs. These surpluses disappeared with the beginning of the war and the organization became a part of the War Food Administration, charged with the administration of approximately 160 food conservation orders. It also operated the school lunch program.

The federal aid program for school lunches originated about 1936 when the Surplus Marketing Administration was searching for outlets for the distribution of commodities purchased on price support programs, and the Works Projects Administration was seeking projects on which women could be employed. School officials throughout the nation decided that these two needs could be at least partially met through a nation-wide school lunch program. Under this plan the WPA furnished the labor and the Surplus Marketing Administration made available the foodstuffs which it was purchasing. Thus the school lunch program throughout the nation and particularly in Idaho began to expand. With the beginning of the war, WPA labor disappeared and there became a world shortage of food, rather than a surplus. However, the value of the school lunch program had been demonstrated and the public demanded that some form of federal aid be provided.

In 1943 the present system was inaugurated when Congress appropriated 50 million dollars to be used in aid to school lunches. Under this program the government designated certain minimum standards of meal types for which it would reimburse the schools meeting these standards, for foods purchased up to a maximum amount per meal. The rate was 9-cents maximum for the Type-A, which is a complete meal providing one-third to one-half of the child's nutritional need for the day, and 6-cents maximum for the Type-B, which is smaller in quantity than the Type-A.

The appropriation was given the Department of Agriculture to administer because it was still looked upon as a program to be utilized in the consumption of agricultural surpluses, and so we send each month to the schools a list of the commodities that are in abundant supply and ask that they increase the consumption of those particular commodities. When you consider that 25,000 children eat each day, a small increase of any commodity in a serving increases the total consumption by a huge amount. For instance, if eggs are in surplus and the school lunches will consume one extra egg per child per day for one month, approximately 34,000 dozen extra eggs will be eaten. This provides a substantial market for eggs. Consumption of other commodities can be increased in the same manner.

We have approximately 220 schools operating school lunch programs in the state and there is one near each of you. Some of you may have children attending one. If you are not familiar with the program you should visit one of these schools. In addition to the values from a nutritional and health standpoint, this program is of immense importance to farmers. Fifty million dollars spend by the government for food does not by any means represent the total amount, as experience

has shown that the communities must spend extra money for food over and above that furnished by the government if they are to meet the meal type requirements. You can see, therefore, that this program will be of great value to the farmer as an outlet for his surpluses when surpluses again become a problem.

County Office Administration

(Committee Meeting Conducted by Quince Rice & Drexel Watson)

Mr. Rice called the meeting to order and asked for suggestions from the committeemen as to possible improvements in administration. The following suggestions were made by county committeemen:

(1) Provision should be made for contacting individual farmers rather than to wait for them to come in to the office. In many cases, farmers do not come in to the county office or are late in doing so.

(2) Where errors are consistent, a representative from the State Office should contact county offices and give assistance in eliminating the causes for errors.

(3) Counties need a yardstick by which to measure their progress with other counties. This should be furnished by the State Office.

(4) The Fieldman should furnish the county committee with a report on each visit to the office.

(5) The Secretary should be more familiar with all programs. Although the tendency is to turn complete programs over to certain employees, the Secretary should be familiar with all programs.

Suggestions by Fieldmen:

(1) Each employee should be given certain, specific responsibilities. Employees should be commended for a job well done. Suggestions should be made where necessary to assist employees. Each employee should clearly understand his responsibilities.

(2) The people in the county who are actually doing the work should carefully analyze office arrangement and methods of doing things for the purpose of making improvements.

(3) In order to secure better cooperation by farmers, more contact work should be done with farming people.

(4) Late reports are worthless to the State Office. They should be promptly submitted.

Suggestions by the State Committee:

(1) Committees should study summaries of compliance frequently sent to committees. Much valuable information is contained in these reports.

(2) Committees should discuss their comparative standing with their Farmer Fieldman.

(3) The Secretary should make the Fieldman's written report available for the county committee.

(4) Counties are rated on accuracy of reports; efficiency in work; work accomplished in relation to expenditures and amount of performance checked.

(5) It is anticipated that a representative of the State Office will be available to assist counties in improving county administration and to coordinate their work where assistance is requested.

Range

(Committee Meeting Conducted by Jerome Evans)

We are inviting all questions pertaining to work in connection with practices adapted to rangeland areas.

Before discussing details of the 1946 programs I would like to review our status insofar as 1945 range performance checking is concerned. We are not in the best possible shape with respect to performance reports that have been submitted to the State Office. I am assuming, however, that most of the work has been completed in the counties but as yet no forms have been duplicated for forwarding to the State Office.

Previous instructions requested that you report a summary of performance on a form called Range #229. That form asks for a summary of all utilization checks made; along with the compilation of supplemental practices carried out on ranching units. The Form Range 229, Sheet No. 1, is to be completed in duplicate and one copy sent to the State Office. Only one copy of the other related forms are needed and should be retained in the operator's personal file folder in the county office.

We want a Range #229 submitted to the state office for every Form WD-66 that was completed in the county even though there is no compliance. For every case for which a WD-66 was filed, a form Range #229 should be completed in order to complete our files here in the State Office.

In completing Range #229 it will be necessary that actual stocking records be shown for every unit having 640 acres or more of grazing land and on which range practices were performed. If this information is not shown on the copy sent to the State Office, the form will be suspended.

Instructions require that the report of performance be filed in the county office by January 15. When you report on the Form Engr. #158, the status of performance work in the county, you should show your range work complete and then submit the Range #229 as soon as possible.

Practice E-1 in 1945 carried both an allowance and a payment. There is a maximum allowance which cannot be exceeded. Also, there is a payment which must be earned. If a person earns more than his allowance, his payment is reduced back to the allowance. If less than the allowance is earned by carrying out improvement practices, the value of such improvements becomes his payment. For Practice E-1 there are two methods of calculating allowance, (1) Allowance for units over 2,000 acres is 5 cents times the number of acres. (2) For units under 2,000 acres the allowance is 8 cents times the number of acres but not to exceed $100. The payment made under the practice then will be the smaller of the allowance as calculated or the value of the supplemental improvements carried out, provided, that the standards of proper utilization are met on the grazing land in the unit. I would like to emphasize, however, that such allowances are not in the picture for 1946.

Now to review the practice for 1946. We would like, if possible, to be sure that everyone here has a working knowledge of the specifications of the 1946

range practices. First, all of the Practices E-2, E-3, E-4, E-6, E-12, E-13, and E-14 must meet the utilization standards applicable to E-1 before they are eligible for payment. This is true even though the construction specifications for such practices are met.

Question: In the case of Practice E-6, artificial reseeding, is it necessary for a man to file a range management plan and meet utilization requirements if his only intention is seeding three or four acres of cropland to permanent pasture?

Answer: Yes, that is the way the specifications are written at the present time. This has been a very controversial subject and it was believed at one time that utilization requirements would not be included in the specifications for Practice E-6. Unless it will be possible to change these specifications you should keep in mind that a Form WD-66 must be filed for every ranch or farm unit requesting Practice E-6. (At this point there was considerable discussion and criticism relating to the practicability of filing a Form WD-66 in connection with all requests for Practice E-6. This discussion resulted in the following motion being unanimously adopted: "BE IT RESOLVED: THAT THIS GROUP REQUESTS THE STATE OFFICE TO WRITE THE WESTERN DIVISION TO REQUEST THAT PRACTICE E-6, ARTIFICIAL SEEDING AND RESEEDING, BE ELIMINATED FROM THE REQUIREMENTS, THAT A GRAZING LAND MANAGEMENT BE FILED AND PROPER UTILIZATION STANDARDS MET BEFORE PAYMENT CAN BE MADE." It was further requested that this resolution be submitted to the Western Region along with a letter of explanation outlining why we believe the specifications for Practice E-6 in this respect to be impractical.)

The practices E-2, E-3, E-4, E-6, E-12, E-13 and E-14 can apply to any unit, regardless of the size, provided it is shown the practice will contribute to better distribution of livestock. Practice E-1 is the only one which is restricted to units having more than 640 acres of grazing land.

Form WD-66 will again be used this coming year to meet the requirements of the handbook with respect to filing an approved range management plan for the ranching unit. I should like to emphasize that this form is not difficult to complete and with the past years' experience, we believe that it will be possible for you to submit the State Office copies of these completed forms much earlier than was done in 1945. The instructions governing the completion of Form WD-66 will be found in WD-67. (At this point the completion of Form WD-66 was discussed in detail using the enlarged B & W copy of the management plan for illustration purposes.)

Crop Insurance

(Committee Meeting Conducted by McCormack & Mix)

McCormack: The county committee has a definite responsibility to give every farmer the opportunity to hear of crop insurance and then let him make up his own mind. In order that wheat farmers may have an income at all times, crop insurance has been set up to provide him with something to sell each year.

Mix: Every county has been allocated a certain amount of crop insurance funds, although these funds are not separate and earmarked as such.

Redford: One thing my army life taught me was that you can't win unless you have belief and trust and confidence in that which you are doing. If you go into crop insurance with the idea there is something better, and we are not willing to stay in there and pitch to make it better, we will lose that battle.

Rice: There are seven basic fundamentals involved in selling: 1-honesty, 2- a good listener, 3- a clear comprehensive talker, 4- be a psychologist, 5- a philosopher, 6- a wit (not half-wit), and 7- keen observer. Remember this, the man you are talking to doesn't know as much about what you are talking about as you do. There are three ways to learn: 1- repetition, 2- concentration, and 3- association.

Sub-Committee Meeting on 1946 Plan Sheets

(Committee Meeting Conducted by Watson, Campbell & Goode)

Attended by one committeemen from each county.

Lloyd Campbell opened the meeting by discussing the importance of giving careful consideration to practices approved for individual farms. He stressed the necessity for considering both the cost and the results to be obtained when making approvals for practices that are needed on a farm; also, the consistency of the practice with the purpose and intent of the program. He urged the committeemen to take into consideration the importance of conservation needs rather than the optimistic plans of the operator. In addition to the need for giving prior approval, it was also pointed out that the county committee should carefully make whatever inspections are necessary.

Feirba Goode discussed the method of reporting the various practices, crops and livestock items on the plan sheets which will be used for statistical purposes.

Considerable time was devoted to a general discussion on the various practices and methods of reporting same.

Fiscal

(Committee Meeting Conducted by L. H. Hosford)

The meeting of all county secretaries with Mr. Hosford was held for the purpose of discussing the monthly expense accounts. New methods and suggestions were presented to the group for discussion and approval. It is felt that some short-cuts could be taken that would eliminate a lot of work for both the counties and the State Office.

A new and better way of showing reclaims and supplemental claims on Forms ACP-9 and -10 was presented to the group and it was agreed that it would make such claims more clear and simplified.

The most common errors made by the county offices were discussed in the hope that they could be eliminated from the expense accounts. Mr. Hosford asked for any complaints and suggestions that the county offices might have so that everyone would have the opportunity to voice his opinion.

When the meeting adjourned, the general feeling was that it had been very successful.

Conservation Materials and Services

(Committee Meeting Conducted by Jerome Evans)

Since 1942 we have had a Conservation Materials and Services Program. So far, this program has dealt only with superphosphate. The government purchased, under contract, supplies of superphosphate and arranged to ship this material to county associations for distribution to individual farmers. It was, of course, necessary that farmers use the material in accordance with the specificiations for the phosphate practice in the handbook.

It now has been decided in connection with the CMS program to distribute the material through what is called the Purchase Order Plan. All this plan amounts to is that the farmer obtains a purchase order certificate from the county office and upon presentation of this certificate to his local dealer, he can secure phosphate by paying only the difference between the value of the certificate and the retail price of the material. The value of the certificate is the same as the payment which would otherwise be computed, under Practice A-2, application of superphosphate. The purchase order certificate is merely a form of credit which the farmer can use to secure his fertilizer.

We have had comments from county committees stating that they did not want to use the Purchase Order Plan in their county because they felt it was too much work and, also, that farmers were in a position to purchase their fertilizer materials outright. We must at all times consider our organization as a service agency to farmers. It is, therefore, unfair for county committees to arbitrarily state that they believe the Purchase Order Plan should not be used. We have an obligation to the farmers, and should make the necessary arrangements to establish the Purchase Order Plan and then let the farmers decide whether they want to avail themselves of this service.

The completion of Form ACP-146, "Fair Price Recommendations", is the first step and this form must be completed and approved before the Purchase Order Plan can be put into effect in your county. The difficulties which we experienced in establishing "fair prices" have now been ironed out, and we believe that you will find your local dealers in a position to quote you a fair price which can be approved and allow the program to function in your county.

Our entire CMS program is limited, insofar as superphosphate is concerned, to single superphosphate material. For this reason your fair price recommendations should be made up for only that material. You will find detailed instructions in WD-70 to cover the completion of Form ACP-146 and all related forms.

Following are some of the details of how this program should operate in your county. First, make certain that you study and know all the necessary procedure, as outlined in WD-70. If your records are kept accurate and the forms which are submitted to the State Office are correct, it will speed up the entire operation. The Form ACP-128 is the purchase order certificate. The completion of this form is quite simple and can be followed line and item by referring to the instructions in WD-70. When this form is made out in the county office, all three copies will be given to the farmer so that he may take them to the dealer or vendor. When the fertilizer has been delivered and usually at the end of each month, the original copy of the ACP-128 is transmitted to the State Office

with the Standard Forms 1034. It is extremely important that the Form ACP-128 and Standard Form 1034 be completed accurately because they are audited in the State Office, and they determine the payment to be made to the vendor; your forms will be suspended and result in many delays unless they are made up correctly and completely. An original and three copies of Standard Form 1034 is prepared in the county office. (At this point detailed instructions were given for completing 1034).

When you put this plan in operation in your county, you should make some one individual in the county office responsible for the program and to see that all records are kept up to date and are accurate. If procedure is followed and forms prepared correctly, it should not be necessary for any dealer to have to wait more than about two weeks for his money.

In the case of samples: We believe it will be necessary to submit one sample to the State Office for every 400 tons distributed in the county but not less than two samples from a county, regardless of the number of tons distributed.

The maximum amount of material that can be authorized on ACP-128 is the amount covered by the maximum payment under Practice A-2. Keep in mind that if it is determined the farmer misuses the material, he will be required to pay double the amount otherwise charged for the fertilizer. (At this point there was considerable discussion in connection with Practice A-2 and the proper methods for using superphosphate.)

We do not anticipate asking for government contract material as was done in previous years provided dealers are able to meet the demands of the farmers. If it becomes apparent that the supply of phosphate in the hands of local dealers is not adequate to meet this demand, we may request an allocation of government contract material. Now in ending and to make sure that your Purchase Order Plan operates efficiently, it is my suggestion that the procedure be studied, then secure sufficient forms from the State Office to comply with the procedure and, at the same time, announce through press releases and other mediums that the Plan will be in operation in your county and allow farmers themselves to decide whether they wish to take advantage of it.

Subsidies

(Committee Meeting Conducted by M. J. Vaught & L. F. Renstrom)

Mr. Renstrom opened the meeting by comparing the relative position of agriculture during the current postwar era with the conditions of agriculture immediately after World War I, when farmers had no organization and as a result went through the wringer. The discussion covered a general summary of the problems confronting industry and labor which are not directly connected with agriculture but which must be considered in formulating postwar agricultural policy since they vitally affect agriculture. The discussion also covered probable shifts in agricultural production during the postwar era and the theory of parity income versus parity prices. It was pointed out that the current direct producer subsidies are a part of the over-all program to hold consumer prices in line, thereby assisting in preventing uncontrolled inflation. It was also pointed out that agriculture is in an unfavorable position to compete with labor and industry in any inflationary race on prices and wages. A general discussion followed on the provisions and operation of the various subsidy programs.

At the conclusion of the meeting, a resolution was introduced by Mr. Chas. P. Baker of Gooding County, as follows:

IN VIEW OF THE INJURIOUS EFFECT OF INFLATION ON AGRICULTURE, THE PRICE CONTROL ACT SHOULD BE IMMEDIATELY EXTENDED BEYOND JUNE 30, 1946. PRICE CONTROL SHOULD NOT BE REMOVED FROM ANY COMMODITY UNTIL THE VOLUME OF AVAILABLE GOODS MATCHES DEMAND AND UNTIL NORMAL COMPETITION AGAIN BECOMES OPERATIVE. ALTHOUGH SUBSIDIES SHOULD BE DISCONTINUED AS SOON AS FEASIBLE, THEY SHOULD NOT BE REMOVED UNTIL SUCH TIME AS THEIR REMOVAL WILL NOT MATERIALLY INCREASE THE COST OF LIVING. SUBSIDIES ARE LESS OBJECTIONABLE THAN INFLATION.

The resolution was unanimously approved.

Commodity Loans

(Committee Meeting Conducted by P. E. Bishop)

Mr. Bishop called attention to the following points:

1. The inspectors report should include several loans on one sheet.

2. A complete final report on loans should be made on form "WL-4".

3. Counties to prepare report 4A on Potatoes and prepare a recap report on fees. See that final report on service fees is correct.

4. County Committee should try to collect all unliquidated 1944 wheat loans. If collection can't be made, be sure applicant is on the debt register.

5. We still have (2) complete grain bins at Worley to dispose of and parts of bins in Clark and Camas counties to secure bids on.

6. The Feed Wheat Program is definitely out from August 15, 1945.

7. On final fees, checks should be payable to CCC and not to the county association. Banks must disburse final fees by January 15, 1946.

8. Where preliminary fee was paid and funds remitted to CCC and it develops that borrower had sold the potatoes, no refund can be made.

9. Re: 30-day interval inspection of potatoes, where the committee knows the grower, they may inspect oftener than every 30 days or may let some go longer than 30 days.

10. Although the buyer is responsible for buying mortgaged potatoes, the committee has a definite responsibility and should watch the spuds.

11. If a borrower sells parts of his spuds and turns the total receipts of sale over to the lending agencies, he is protected on the balance provided he notifies the county committee within 5 days of the date of sale.

12. Where borrowers want to deliver potatoes to CCC, please remember that we have the responsibility for making up loan papers and notifying CCC that borrower wants to deliver. It is the responsibility of CCC to furnish shipping instructions and Bills of Lading. This situation may develop headaches -- sufficient outlet not apparent now. Situation should improve with CCC Branch now at Denver. A diversion program may develop for alcohol. There is no outlet at this time for potatoes in bulk; all orders are on sacked f.o.b. car basis.

13. For potatoes delivered to CCC, the borrower will receive credit at $2.10 for U.S. No. 1's; $1.05 for U.S. No. 2's; and $1.70 for U.S. No. 1 Commercials loaded and sacked f.o.b. cars. If delivered bulk, he will receive credit for any hauling service performed -- hauling, sorting, loading, sacks, selling, inspection, etc. The total is 50 cents. For example, if the borrower hauls the potatoes to a processor, he would receive a 9 cent credit for hauling.

14. In reply to a question regarding 2nd inspection where potatoes are breaking down, Mr. Bishop read the procedure outlined in 1945 Potato Loan Bulletin 1, issued August 23, 1945.

15. Mr. Watson stated that if potatoes are delivered in bulk, the borrower receives a 50 cent credit for services performed.

16. Mr. Watson pointed out that potato loans are a wartime measure and may be discontinued. About half of the potatoes remaining in Idaho are under loan. The car shortage is critical. Loans constitute the only assurance of support price on late potatoes; however, we can have a support price program without loans. If farmers want potato loans in 1946, they should make it known.

17. Mr. K. Johnson, Traffic Mgr., U.P.R.R., outlined the transportation problem. He felt that the maximum use of present facilities would enable them to move this year's crop. Cooperation by promptly loading cars will be necessary. Every effort is being made to secure additional cars.

Compliance

(Committee Meeting Conducted by W. Lloyd Campbell)

The compliance meeting was held with all county association secretaries present. Mr. A. V. McCormack, member, state committee, was chairman of the meeting, and Lloyd Campbell led the discussion.

Problems pertaining to 1945 compliance checking were discussed in general. There were no specific problems presented that required any further action or investigation.

It was concurred by the group that the maps now available for use in the counties were so far out-dated that they were very inaccurate and would require replacements in the near future if the State was to maintain a high standard of performance reporting.

Sub-Committee Meeting on Applications

(Committee Meeting Conducted by W. Lloyd Campbell & Feirba Goode)

Attended by Secretary from each county.

Feirba Goode opened meeting by giving an explanation of the application form and the information required thereon. An explanation was made of each entry to be shown on the application, including methods of reporting the various practices.

The importance of accurately keeping the register of indebtedness up to date was stressed. The secretaries were advised that the register of indebtedness will, effective with the audit of the 1946 program, be maintained by the county office and that they must accept full responsibility for its accuracy. Some discussion was held on the method of handling conservation materials with a promise that additional instructions would be furnished the county offices in the near future.

Also discussed was the need for information not shown on the applications for payment for use in preparing the annual report.

A large portion of the meeting was devoted to individual questions arising in the various counties.

Subcommittee Meeting of County Chairmen

(Committee Meeting Conducted by G. F. Geissler & M. J. Vaught)

The meeting was called to order by Mr. M. J. Vaught who presented some of the problems of county committees and indicated some improvements which could be made.

Where one-man committees exist, committees should hold periodic meetings, keeping minutes of the same; these meetings to be established on whatever basis fits county conditions best, their purpose being to determine policy. Two copies of the minutes should be transmitted to the State Office, and one copy should be kept for the guidance of the Secretary in determining the policy he is to follow.

Mr. Vaught suggested improvements in public relations, the method to be followed being based on local conditions. It was suggested that each committeeman might contact certain townspeople regarding Triple-A and that the committee could make arrangements to explain Triple-A objectives and programs to civic groups, senior classes in Smith-Hughes, etc. It was further suggested that the county committee might arrange for State Committeemen to participate in radio programs or appear on any programs during the coming series of meetings. In stressing the importance of acquainting businessmen with our program, he quoted Spike Evans -- "If the cash registers along main street are going to continue to ring, we've got to keep these farmers prosperous."

Suggestions by Mr. Geissler: Mr. Geissler stressed the need for a lot of work and attention to committee meetings. Meetings should be held not less than once a month with a part of the meeting devoted to looking back over what had been done, then looking ahead for the next month at what is to be done. These points should be discussed with the Secretary and office employees. Decisions should be made as to how you are going to approach the jobs to be done.

In discussing public relations, Mr. Geissler stated that nothing much but talk had been done so far. Definite programs should be established with a list of things to be done and a list of people in the county to see; each member of the county committee should be assigned a certain number of individuals whom he should contact. Mr. Geissler further stated that county committeemen must become better public relations men, that the policy to be followed by the government will be determined by the people themselves. The legislators in Washington will be favorable to our program only to the extent that they understand what you are trying to do.

Methods of promoting better public relations were discussed by the group. They included meetings, Triple-A movies, debates, personal contacts, work in the USDA Council, picnics and tours to enable farmers to show businessmen what has been done and what is to be done. Contact work should include both adult civic groups and high school groups. Mr. Geissler stated that we can't use just one idea as it will run out, but must make a list of all the things you can do and then follow through. Mr. Geissler also stressed the importance of getting more folks interested in county elections.

Suggestions of county committeemen: A committeeman from Hazelton stated that discussions in high schools were good public relations. He said his child,

debating in school, had converted many to Triple-A. Mr. Brandt, Canyon County, stated that crop insurance movies could be used in civic clubs in his county, that once a year one meeting of a civic group in the county is devoted to Triple-A and that townspeople are willing to listen even though they might not agree.

It was suggested that businessmen are more anxious to learn about Triple-A now than in the past. One committeeman suggested that it would be advisable to change county committees often. It was pointed out that there was a 22 percent turnover in county and community committeemen in 1946.

A committeeman from Oneida county stated that USDA Council meetings are used to acquaint all persons with the work of the various agencies. He stated that he had lived in Denmark three years where people are more educated to the need for soil conservation than are Americans. He felt that education is important enough to justify a definite place in our organization.

In conclusion, Mr. Vaught pointed out that friendly relationship with other agencies in the USDA Council and a thorough understanding of other programs will result in closer coordination. He also suggested rotation of the chairmanship of the Council.

Outlook For Our Farm Exports

By A. Rex Johnson, Assistant Director, Office of Foreign Agricultural Relations,
United States Department of Agriculture
(Presented at Washington State Conference)

I'm glad to be speaking today to an audience that needs no introduction to the subject of my speech, the outlook for our farm exports.

You have long been closely associated with foreign trade so already are aware of the importance of foreign markets for a prosperous American farm life. Export markets are much more than a safety valve of our agriculture; they must be planned. We cannot count on a reasonably full use of our developed agricultural resources without them. Nor, under relatively free market conditions, can we count on good farm prices without them, as the amount of a crop that is exported greatly influences the price for the part that is sold domestically. Even under the restrictions prevailing before the war we exported about 40 percent of our cotton, one-third of our tobacco, nearly one-tenth of our wheat, and substantial portions of our lard, prunes, raisins, apples, pears, oranges, and rice.

It is desirable, therefore, that we attempt to size up the foreign market at this time -- just as we are entering the post-war period. What prospects do we face in the months and years just ahead for a fairly good level of exports?

For any adequate appraisal of the situation, we must divide the post-war period into two parts -- a short-term period that may last for perhaps 2 or 3 years after the end of fighting, and a long-term period which will follow after that.

During the short-term period, which we are now in, farmers may expect to benefit from the heavy demand for their products from Europe and the Far East. Pre-war problems of over-production in relation to demands are not likely to re-occur except in the case of a few items.

Per capita world food output in 1945-46, for instance, is estimated to be about 10 percent less than during the immediate prewar period. Reduced carryover supplies of nearly all major food products, together with disorganized distribution systems, means that the supply at present is even further below normal than the drop in 1945 output would indicate. Drought followed battle in Europe. For the entire Continent (exclusive of Russia), even allowing for wartime processing economies, the present year's food supply is estimated at 20 percent below the prewar level. The food output in France is at a 5-year low. Belgium cannot approach the 50 percent of its own food which it produced before the war. From Italy, from Austria, from the Netherlands, from even the fertile Danube Basin come somewhat similar reports. Russia's food situation will be somewhat improved, and the middle and Far East are in moderately sound position, with the exception of a sharp deficit in Japan. Even the temperate countries of South America, normally exporters of food and other farm products, have suffered severely from drought and can contribute less than average amounts to the world food supply.

Thus for the current year and perhaps for the next year or two foreign demand will be heavy for the farm products of the United States, and of several other surplus food producing countries, notably Canada, Argentina, Australia, and New Zealand. So much for the immediate post-war period. It will be a time, largely, of tapering-off, marked by farm production and marketing conditions not greatly different from those of the actual war period -- at least for most products.

For the long-term period, however, export prospects will be less certain. This is the period that is of primary concern to us here. And in attempting an appraisal of prospects in this period, I'd be less than frank if I failed to say that they are such as to give us cause for serious study and concern.

Between the two world wars, the total volume of this country's foreign trade began going down-hill. Exports represented a smaller and smaller portion of the national income -- which reflects our capacity to trade.

Of more immediate concern to us here is the fact that our foreign trade in farm products fell off even more sharply than did foreign trade as a whole. As exports of raw materials, which include farm exports, become a smaller and smaller share of our total exports, exports of finished and semi-finished manufactured goods during the same period naturally grew to be a larger and larger share.

Let's be a little more specific at this point. In the first five years after the Civil War (1866-70), raw materials accounted for two-thirds of all our exports. Those were the days when cotton was king and was "riding high." During the 5-year period, 1936-40, however, they made up only a little more than a fifth of the total. By this latter period, exports of finished manufactured products accounted for half of the total. In the decade prior to the Civil War they made up only about 15 percent of the total.

This leads us to the $64 question: What, basically, causes these trends in our foreign trade? If we can find the answer to that one, maybe we can control and direct them to our advantage.

Luckily enough, the answer is not hard to find. These trends go back in a considerable degree to an unsimple fact that can be simply stated. Many nations of the world have for many years past been following so-called self-sufficiency trade and production policies. And I want to stop here just long enough to underscore that word so-called. These policies were aimed at making each of the countries concerned as nearly as possible economically free and independent of the rest of the world. Each country sought, separately and independently of the others, to keep depression from its doors and/or to assure itself of adequate supplies of essential goods and materials in case it got into a fight.

In point of time the United States was among the first nations of the world, following the first World War, to set up a high trade-barrier policy. Many nations soon followed suit in the interest of that so-called self-sufficiency. In the period between the two world-shattering conflicts, during which time two depressions hit the world economically, the flow of commerce across national boundaries has been increasingly obstructed by government action. Imports have been controlled, not alone by increased tariffs, but by quotas, embargoes, more stringent custom formalities and exchange control as well. Exports have been forced through barter, currency depreciation, and subsidies. Preferential systems between countries, permitting discrimination as between suppliers and customers, also waxed in favor. Bilateral deals between countries, which rule out outsiders, became the order of the day.

So far as the United States and its farmers are concerned, then, the total volume of this country's foreign trade between the two world wars fell off, and raw material exports grew to be a smaller and smaller portion of the smaller whole. But there were greater and more far-reaching results for the world as a whole.

As long as these devices were used by only a few nations, they may have led to some temporary, short-time advantages for those nations. But when they became the common property of many or all nations, they tended to cancel each other as far as any advantages were concerned.

This was not the case, however, as to the disadvantages. For, taken as a whole, these self-seeking devices restricted the buying power of the countries against which they were directed. They made it difficult, or impossible, for the target nations to expand their industry, have full employment, and satisfy the wants and needs of their peoples through a higher standard of living. They throttled world trade, led to international frictions, and helped plant the seed for a new and bumper crop of death on the battle fields of the world.

One might have thought -- and hoped -- that the war would have eliminated these economic weapons from among the peacetime instrumentalities of governments. The fact is, however, that it served only to increase government intervention in world trade. Where trade channels were not actually broken by war they were changed to meet its demanding voice. As a result, governments today have more of a strangle-hold on the world's trade than in 1939, and the regimentation of trade is all but complete.

I wish that in this appraisal I could stop painting a dark picture at this point. Unfortunately, I cannot, for just as the above-mentioned considerations suggest the possibility of a badly shrunken foreign demand, a number of other factors indicate strongly that world supply of a number of international commodities in the long-time period ahead may be substantially larger than before the war.

We will not be greatly surprised, of course, to see a world surplus output of wheat, cotton, tobacco, wool and some fruits, in relation to effective demand. Or of sugar, if the Far Eastern producers return to their prewar production levels. For the most part these are familiar international agricultural "surpluses" that have plagued the world's farm producers at various times since the first World War.

We may not be as well prepared to accept some other production problems that have grown directly out of the war. Two notable changes appeared in the production picture in the Western Hemisphere -- sharp increases in the output of fats and oils and of rice. This was in an attempt to replace the supplies of these products that came from the Far East before the war. Our own farmers, as you well know, made great increases in their output of peanuts, soybeans, and flaxseed during the war. Argentine output of sunflower seed quadrupled. Rice production in this Hemisphere increased by nearly half. In time there will probably be available on world markets supplies of Far Eastern rice and vegetable oils. When that time comes, the world supply is likely to be excessive in relation to effective demand. Our producers probably will be faced with the choice of cutting back their output or of competing in world markets with the lowcost Asiatic producing areas.

All in all, the picture does not add up to a pretty one for our farmers. On the demand side, as we have seen, there is the badly shrunken foreign market that goes back to the limited supply of dollars held by foreigners who need our farm products; there is the fact that, having only this limited number of dollars, foreigners are more likely to spend them primarily for our manufactured goods than for our raw materials; and finally there is the fact that, government

restrictions and trade controls being as they are, citizens in foreign countries are not entirely free to spend what money they do have for our products, even if they chose to do so. Then, on the supply side, there is the increased world production in the case of a number of international commodities -- all to be sold in a world market that is potentially smaller than in prewar days.

We've talked about the outlook thus far in rather general terms. Now, let's get down to cases for a moment and see what all this means in terms of farm products in which you are interested personally. A substantial part of your farm income comes from wheat, fruit and nuts. What is the outlook for these crops?

Right now, there is a strong demand for every bushel of United States wheat that can be put in export position. Only because of this year's record crop of 1,123,000,000 bushels can we come close to meeting the demand. During the first six months of the current wheat marketing year, an estimated 175 million bushels of wheat and flour equivalent will be exported. Nothing like this has existed since right after the last war, when our net exports averaged (1918-21) close to 270 million bushels yearly.

The bulk of this wheat has been going to Europe, the flour to Europe and Latin America. While exports to the Pacific have been relatively small thus far, they are now picking up, notably to China. This season's large European demand is due largely to this year's smaller European crop, which was almost 400 million bushels smaller than last year and fully 500 million bushels less than the prewar (1935-39) average. The cumulative effects of fertilizer shortages and last summer's widespread drought are mainly responsible for the short crop, although losses from military operations, labor shortages, land reforms, and other factors played their part.

The heavy export demand for our wheat is also due in part to the fact that output in Argentina and Australia this year, while larger than in 1944, is somewhat smaller than the prewar average. The Canadian crop was 100 million bushels smaller than in 1944 and only slightly larger than the prewar average. The world wheat carryover on July 1, 1946, promises to be reduced to the lowest level in many years. It may be expected to begin to increase by July of next year, however, if good harvests are obtained in the exporting countries and some recovery occurs in Europe from this season's very low level of output. A substantial increase in carryover in surplus-producing countries, with the problem of surpluses again being talked about, might be expected by 1948. This, roughly, is about when we begin to get into the long-term picture.

In this long-term period we can count on the United States having a production machine -- land, machinery, fertilizer, manpower, etc. -- that year after year will turn out substantially more wheat than we need domestically for food. In fact, we could without too much effort turn out a billion bushels yearly. We should not count on consuming more than 500 or 550 million bushels as food. In addition to food we use annually about 80 million bushels of wheat for seed and 75 to 125 million bushels of wheat for feed -- making a total normal domestic demand for 700 to 750 million bushels. Such a quantity of wheat could probably be marketed year after year at nearly parity prices.

The question is, then, can the remainder be exported year after year at a satisfactory price? We all believe that we can export some wheat in competition with other exporting nations, but even the experts would not want to hazard a guess

as to just how much. That there will be keen competition abroad from Canada, Australia and Argentina there can be no doubt. This is evidenced by the fact that Canada has set an export ceiling price which is about 40 cents a bushel less than our domestic and export ceiling price determined on the basis of parity. Argentina and Australia have also fixed export ceiling prices more or less comparable with the Canadian price.

That, in short, is the picture that our wheat exporters are facing.

But what about fruit and nuts? The end of the war left many European countries virtually bankrupt, with destruction and hunger staring them in the face at every turn. The elimination of hunger and the making of essential repairs to war-damaged properties, consequently, are receiving first attention. This means that the limited supply of foreign exchange available in these countries will be expanded for essential building materials, machinery, and for the basic foods, such as wheat, meat and fats. Dollar exchange for the purchase of fruits and nuts will be at a minimum. This situation is expected to continue for at least five years.

Even after reconstruction is well under way or completed, and the short-term postwar period is past, the outlook for fresh fruit exports will continue discouraging. Sweden and Switzerland are perhaps the only countries that may regain prewar importance for U.S. fruit in a relatively short time. The political and economic situation in Central Europe is expected to make exports to that area limited and difficult for several years. France and the Low Countries will not take their prewar quantities of our fresh fruits for some years to come. Certain of the countries will consider it expedient to buy from Canada, New Zealand, Australia, Argentina and Chile. Unless the British Empire's preference scheme is abandoned, fruits from the first three of the countries will enjoy a preferred position in the British market.

The outlook for dried-prune exports in the next 2 or 3 years is much brighter than for the period from 5 to 10 years away. Output in the Balkans this year is substantially less than the prewar average and is expected to continue at this lower level for a few years more. As farming conditions gradually return to normal, however, output is expected to increase. Production in the Southern Hemisphere, Argentina, Australia, Chile, and South Africa has mounted steadily since the war, and competition with these countries for available Latin American and European markets is expected to increase.

Our filbert and walnut exporters are going to face keen competition from producers in other exporting countries. France, one of the world's largest walnut producers, is expected to make every effort to dominate the British market and that of the neighboring European countries. Her lower production costs and nearness to these countries, which means substantially smaller freight charges, give her a strong advantage over our own exporters. Walnut output in the Balkans is well beneath prewar levels, but it still will suffice to cover the demand for walnuts from that area and Eastern Europe.

As for filberts, Canada and Mexico may offer us limited outlets in the years ahead. But a much more important thing for domestic growers to watch is this. The next few years may see a marked decline of prices abroad and a big effort on the part of foreign growers to export to the United States. Filbert acreage in Italy, Spain and Turkey suffered relatively little war damage, and output

will continue at prewar levels at least. Our own output, while steadily increasing, will not be in a position to export to Europe in the face of the strong competition both from the price and supply standpoint.

Let me at this point underline the fact that in this long-term agricultural export outlook, we face a new problem in a new world. It is not a problem of reconversion. It is not even a problem associated with the return of peace, as we used to know it. It's not a re anything.

To solve it, we must give up the idea that it is merely a problem of going back to the old and familiar. For the old and familiar, no matter how unpleasant it was at the time, always breeds inertia - ease - contentment. In addition, we must accept the idea that things don't -- and can't -- even stand still. They've got to move on to the new and the different, and we with them. And if we are to solve each new day's problems as they arise, we will do it only by facing them realistically. By that I mean with as few preconceived notions as possible and with a completely open-mind -- the scientific attitude of mind.

When the physicist or chemist goes to his laboratory and closes the door, to the extent that he succeeds in his objectives he leaves all his preconceived notions and prejudices behind him. As nearly as possible he becomes a disembodied mind. The nationality, race, creed, ideology, or party of the molecules or atoms with which he is working make no difference to him -- none! He concerns himself only with the end result. It was this attitude of mind which on August 6, 1945 gave birth to Atomic Age, with all man' mastery over the physical world that it implies.

What I'm coming to, in conclusion, is this. Only through a complete open-mindedness, a feelingless objectivity, and a boldness born of imperious necessity, can we hope to solve the problems with which we are confronted today.

It was in this spirit that Secretary of State Byrnes announced, on November 16, a series of proposals for the revival of world trade which he intended shortly to submit to the peoples of the world for consideration and adoptions. Because I regard them -- and their adoption -- as the only way out for peaceful trade in a peaceful world, I want to repeat them at this time:

> "We intend to propose that commercial quotas and embargoes be restricted to a few really necessary cases, and that discrimination in their application be avoided.
>
> "We intend to propose that tariffs be reduced and tariff preferences be eliminated. The Trade Agreements Act is our standing offer to negotiate to that end.
>
> "We intend to propose that subsidies, in general, should be the subject of international discussion, and that subsidies on exports should be confined to exceptional cases, under general rules, as soon as the period of emergency adjustment is over.
>
> "We intend to propose that governments conducting public enterprises in foreign trade should agree to give fair treatment to the commerce of all friendly states, that they should make their purchases and sales on purely economic grounds, and that they should avoid using a monopoly of imports to give excessive protection to their own producers.

"We intend to propose that international cartels and monopolies should be prevented by international action from restricting the commerce of the world.

"We intend to propose that the special problems of the great primary commodities should be studied internationally, and that consuming countries should have an equal voice with producing countries in whatever decisions may be made.

"We intend to propose that the efforts of all countries to maintain full and regular employment should be guided by the rule that no country should solve its domestic problems by measures that would prevent the expansion of world trade, and no country is at liberty to export its unemployment to its neighbors.

"We intend to propose that an International Trade Organization be created, under the Economic and Social Council, as an integral part of the structure of the United Nations.

"We intend to propose that the United Nations call an International Conference on Trade and Employment to deal with all these problems.

"In preparation for that Conference we intend to go forward with actual negotiations with several countries for the reduction of trade barriers, under the Reciprocal Trade Agreements Act.

"Success in those negotiations will be the soundest preparation for the general Conference we hope will be called by the United Nations Organization."

Let us hope, and work -- for their adoption universally, for they constitute a cooperative world approach to the problem. If we've learned anything in the last quarter of a century -- and learned it the hard way -- it is simply that there is no such thing in this world as self-sufficiency. Man cannot live unto himself alone. Neither can nations. So-called self-sufficiency, whether of man or of nations, is but the prelude to ultimate self-destruction. The cooperative world approach is the way to peace, prosperity and plenty.

Resume of Conference

By G. F. Geissler, Director, Western Region

In summarizing this meeting, there are several points which I want to emphasize. This has been a fine conference, folks. I am constantly amazed at the progress made by groups like this one -- every time I go into the states and look around, I am amazed at the developments which have taken place.

I think we are fortunate in that prior to the war we had this organization in operation. We have reached the point in our development where we knew how to work with each other. We can take on any job and do it. In connection with the war effort, if you folks had not been out on the firing line -- organized and set up to get the job done -- the picture would have been different.

At this meeting you have discussed almost every angle important to agricultural people -- production problems, factors affecting agricultural consumption although not on the farm, consumers buying power and the closely related prosperity or lack of prosperity of farmers.

But you still have a lot of jobs ahead of you. Within a short time we're going to start five or six big programs. Our present job is to complete our performance reporting and our 1945 ACP program. The major jobs for 1946 include getting the production goals out to the farmers, the farm plan signup, determining farm allowances, in addition to such regular programs as price support, subsidies, loans, etc. Besides this, you probably will have a lot of jobs assigned to you in working out determinations of what will need to be done in connection with the long-range phase of the program.

We have a tremendous job this year to see that folks on farms and folks who work with farmers are thoroughly informed as to what is going to confront agriculture and what needs to be done to protect the farmers' interests if and when certain conditions arise. In working out the problems of peace -- which can be worked out a little more leisurely, deliberately and permanently -- if we use even a fraction of the intelligence used in planning war production, we will get the job done!

This nation could not stand another depression like the 30's. With the experience of working our way out of that kind of depression our people will insist that the same tools, same activities and policies used to work our way out of depression be employeed to prevent depression. Each group must study their programs and policies in connection with production needs and must play an important part in making determinations on the policy we are to follow. Washington is full of people who are willing to take on the job of solving business, agriculture and labor problems. But a better job will be done if you folks out here play a major part in making determinations. And the determination is going to be made so be sure you stay on the ball and use all avenues and channels of communicating your desires and the desires of your fellow farmers to the right people so policy will be shaped on that basis.

I want to reiterate that in our thinking we should not get grooved in any way and think of only one phase. Think of all things -- production adjustments, price, conservation, marketing, distribution, and all those other factors that bear on the total economy of agriculture in this country.

We want to continue to improve our administrative setup as much as possible. We have made tremendous progress. We are doing our job better now than five years ago. More efficient even than two or three years ago. Prior to 1943 we had no budgetary limitations set by Congress. We could set aside the amount we needed for administrative purposes and we were spending a pretty sizeable amount back in those days. Beginning with the 1944 fiscal year Congress limited the amount we could use for administrative purposes. That was a drastic cut. When I went in as Director I inherited a 37 percent cut in budget and there was nothing to do but lay off people. We steeled ourselves and secured more efficiency than we probably would have had in any other way. Whether or not we have increases in our appropriation for administrative purposes, it still is necessary and urgent that we do the most efficient and most economical job we can of administering the job in the counties. You will agree with me that for the most part we are not judged by the people out there on big basic things -- but on day-to-day services to the people in the county office. I think probably one thing we should do out there is size up what we are doing and see if it needs to be done. Sometimes we get in the habit of doing things when they don't need to be done. I believe it would be a good idea for the county committee, county secretary, clerks and field folks to periodically call a staff meeting in which everybody has an opportunity to express himself. Many clerks have good ideas on improvingg efficiency. We can furnish greater service for the same amount of money.

We have had to reduce our force in the Western Region. We had 147 people when I became director. The last time I counted, we had 53 and actually we are doing as much or more than we did five years ago. We have cut out useless things and our procedure is not as lengthy and technical. We have decentralized a lot of the administration to the states and the states in turn to the counties. I don't think we should do anything in Washington you could do on the state and county level. I think you folks are able and deserving of that type of responsibility in the county and state offices.

Other bureaus want to know how we handle a program which affects so many people as ours does with such a few people in Washington. We send it out to you. You might think we would be worried about handling the terrific sums of money we do in our ACP, dairy feed and other payment programs. But it doesn't worry me because today I can count on the fingers of my two hands the cases of fraud pending in the whole Western Region with all that tremendous volume of dairy drafts. We just don't have any of it. We have no charges pending of a single case of fraud by county office personnel or county chairmen. When you are doing a job of that size in that way -- well, why should we worry?

During the war you demonstrated that without any advance warning you could take on the worst and nastiest jobs and get them done. Machinery rationing was one of them. So far as farmers were concerned we had letters from disgruntled farmers who said they had not been treated fairly. These were very few, however. When rationing was discontinued, farm implement dealers and manufacturers asked us to step back into the picture because we had done such a swell job.

In this fast-moving world we may in the future need a lot of national planning in order to work things out smoothly without hurting any one particular group. This can be done by operating through decentralized types of operation. We can set up enough rules and regulations to see that funds are properly accounted for. We must improve our administrative work and demonstrate that we deserve responsibility as additional jobs need to be done.

There has been quite a bit of discussion about public relations -- about information, how well our farmers are informed. I talked at some length to the chairmen on that last night, but I do want to stress this. It seems to me we should go back from this meeting and sit down and work out a definite action policy which we should undertake in our own county and set it right up; then I believe we'll get beyond the talking stage in this state and do something about it.

Somebody asked me "How can you sleep when you have all these tremendous programs and are being held responsible for such sizeable funds." Our administrative funds in one year alone amounted to nine million dollars. I will admit I have worried about that in the past. I felt completely inadequate and on many occasions I felt like packing my grip and going back to the ranch. Then I thought of the army of folks in the field. I got to thinking "I'm not so important in this. They are the ones who are important. They are the backbone of the organization." This organization doesn't have room for prima donnas. If a prima donna ever does show up, the boys seem to have a way of putting them in their place and they either do the type of work we have or disappear.

My job -- our jobs in the Western Region -- are relatively easy only because you are doing such a great job out here. You must not slack up at all. I'm sure if I come back a year from now your record for 1946 will have been equally as good. I appreciate the opportunity of meeting with you. I think this Idaho gang is a pretty good bunch of people.